

**STATE OF NEW MEXICO
HUMAN SERVICES DEPARTMENT**

**INFORMATION TECHNOLOGY AGREEMENT
Agreement No. PSC 23-630-4000-0002**

THIS INFORMATION TECHNOLOGY AGREEMENT (this "Agreement") is made by and between the State of New Mexico (the "State"), **Human Services Department**, hereinafter referred to as "Procuring Agency" and **Conduent State Healthcare, LLC (vendor number 0000029957)**, hereinafter referred to as "Contractor" and collectively the parties are hereinafter referred to as the "Parties." This Agreement must be approved by the Department of Information Technology ("DoIT").

WHEREAS, pursuant to the Procurement Code, NMSA 1978 13-1-28 *et seq.*; and Procurement Code, NMAC 1.4.1 *et seq.*; Contractor has held itself out as an expert in implementing the Scope of Work attached hereto and Procuring Agency has selected Contractor as the offeror most advantageous to the State; and

WHEREAS, all terms and conditions of the **Request for Proposal 20-630-8000-0001 as amended** and Contractor's response to such document(s) are incorporated herein by reference; and

THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

ARTICLE 1 – DEFINITIONS

- A. "Acceptance" shall mean the approval, after Quality Assurance, of all Deliverables by an executive level representative ("Executive Level Representative") of the Procuring Agency.
- B. "ASPEN" shall mean New Mexico's Automated System Program and Eligibility Network.
- C. "Business Days" shall mean Monday through Friday, 7:30 a.m. (MST or MDT) to 5:30 p.m. except for federal or state holidays.
- D. "Change Request" shall mean the document utilized to request changes or revisions in the Scope of Work.
- E. "Chief Information Officer ("CIO")" shall mean the Procuring Agency's Chief Information Officer or designated representative.
- F. "Confidential Information" shall mean any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) that consists of: (1) confidential Procuring Agency or client information as the term is defined in State and/or Federal statutes or regulations; (2) all non-public State budget, expense, payment and other financial information; (3) all attorney-client privileged work product; (4) all information designated by Procuring Agency or any other State office or agency as confidential, including all information designated as confidential under Federal and State statutes or

regulations; (5) unless publicly disclosed by Procuring Agency or the State, the pricing, payments, and terms and conditions of this Agreement, (6) any information or material in Contractor's proposal marked proprietary, trade secret or confidential, and (7) State information that has not been publicly disclosed and that is utilized, received, or maintained by Procuring Agency, Contractor, or other participating State agencies for the purpose of fulfilling a duty or obligation hereunder.

- G. "Close of Business" shall mean 5:30 PM MST or MDT.
- H. "CMS" shall mean the Federal Center for Medicare and Medicaid Services, an agency of the US Department of Health and Human Services.
- I. "Contract" shall mean this Agreement including any Exhibits, Appendices, Statements of Work, the Business Associate Agreement, and any other attachments to this Agreement or incorporated into the Agreement by reference.
- J. "Contract Manager" shall mean the individual selected by the Procuring Agency to monitor all aspects of this Agreement. Under the terms of this Agreement, the Contract Manager will be Erica Archuleta or his/her Representative.
- K. "CONTRACTOR" shall mean Conduent State Healthcare, LLC.
- L. "Current Fiscal Agent" shall mean Conduent State Healthcare, LLC.
- M. "Default" or "Breach" shall mean a violation of this Agreement by failing to perform one's own contractual obligations.
- N. "Deliverable" shall mean the outputs of the Services under this Agreement and the Scope of Work by the Contractor as defined under this Agreement as specified in the Scope of Work.
- O. "Determination" shall mean the written documentation of a decision of a procurement officer, including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
- P. "Desirable" shall mean the terms "may", "can", "should", "preferably", or "prefers" to identify a discretionary item or factor.
- Q. "DFA" shall mean the Department of Finance and Administration; "DFA/CRB" shall mean the Department of Finance and Administration, Contracts Review Bureau.
- R. "Days" shall mean calendar days unless otherwise specified. Any due date falling on a weekend, State legal holiday, or State closure will be extended to the next business day.
- S. "Department" shall mean the State of New Mexico Human Services Department. "HSD" and the "Procuring Agency" are used interchangeably.
- T. "Division Business Manager" shall mean the individual selected by the HSD Medical Assistance Division to work in conjunction with the Procuring Agency's Project Manager and Contract Manager to review Change Requests and to monitor contract and system performance.
- U. "DoIT" shall mean the New Mexico Department of Information Technology.
- V. "Enhancement" shall mean any modification or addition that, when made or added to the program, materially changes its or their utility, efficiency, functional capability, or

application, but does not constitute solely an Error Correction. After conferring with Procuring Agency, an Enhancement may be identified as minor or major.

- W. "Executive Level Representative" shall mean the individual empowered with the authority to represent and make decisions on behalf of the Procuring Agency's executives.
- X. "Expiration Date" shall mean the date this Agreement expires pursuant to Article 5.
- Y. "Financial Services" shall mean services such as accounting services, payment processing, invoicing or billing processing, claims adjudication and payment processing (including pharmacy claims, non-medical claims, and other payment types), managing a Self-Directed Home and Community Based Service for agency clients, Pharmacy Benefit Management services, Drug Rebate Processing Services, Data Exchange and Reporting Services, and other supporting or related services, as required by the Procuring Agency to meet its regulatory service and reporting requirements. Such services are also defined to include other affiliated state agencies which deliver ancillary services to meet the Procuring Agency requirements.
- Z. "File" shall mean a set of data. For example, the term Provider File refers to the database of providers.
- AA. "Hourly Rate" shall mean the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for Contractor personnel and if appropriate, subcontractor personnel.
- BB. "Mandatory" – The terms "must", "shall", "will", "is required", or "are required" identify a mandatory item or function.
- CC. "Medicaid Management Information System ("MMIS")" shall mean the entire suite of systems and their operations, including any incumbent contractor created source code and is not limited to functions or operations that are federally required or to the specific system known as OmniCaid.
- DD. "OmniCaid" shall mean the mainline claims and reporting system included in the New Mexico MMIS. The Procuring Agency owns the OmniCaid system.
- EE. "Payment Invoice" shall mean a detailed, certified and written request for payment of services rendered from the CONTRACTOR to the Procuring Agency. Payment Invoice(s) must contain the fixed price Deliverable cost and identify the Deliverable for which the invoice is submitted.
- FF. "Performance Bond" shall mean a surety bond which guarantees that the CONTRACTOR will fully perform the Agreement and guarantees against breach of contract.
- GG. "Project" shall mean the Medicaid Management Information System Replacement Project described in the Scope of Work.
- HH. "Project Manager" shall mean a qualified person from the Procuring Agency responsible for all aspects of the Project or the administration of this Agreement. Under the terms of this Agreement, the Project Manager will be Lynn Smith, or her/his Representative.

- II. “Quality Assurance” shall mean a planned and systematic pattern of all actions necessary to provide adequate confidence that a Deliverable conforms to established requirements, customer needs, and user expectations.
- JJ. “State Purchasing Agent (SPA)” - shall mean the State Purchasing Agent for the State of New Mexico or designated representative.
- KK. “State Purchasing Division (SPD)” - shall mean the State Purchasing Division of the General Services Procuring Agency for the State of New Mexico.
- LL. “Termination Date” shall mean the effective date of termination of this Agreement for termination with or without cause.
- MM. “Turnover Period” shall be a wind-down period that shall be no longer than fifteen (15) months or shorter as agreed to by the parties for terminations.
- NN. “Work Stoppage Date” shall mean the date when all work and services provided for under this Agreement shall stop, inclusive of any time established as a Turnover Period. The Quality Assurance process will apply to all Deliverables submitted to the Contract Manager prior to the Work Stoppage Date.

The following acronyms are included for clarity of Procuring Agency operations and services.

Acronym	Definition
AIDS	Acquired Immunodeficiency Syndrome
ALTSD	Aging and Long-Term Services Procuring Agency
ARRA	American Recovery and Reinvestment Act of 2009
ASD	HSD Administrative Services Division
AVRS	Automated Voice Response System
BAA	Business Associate Agreement
BCBS	Blue Cross Blue Shield of New Mexico
BHSD	HSD Behavioral Health Services Division
BSU	Business Support Unit, refers to the incumbent’s organization
CA	Consultant Agency (Mi Via)
CD	Compact Disk
CFR	Code of Federal Regulations
CHIP	Children’s Health Insurance Program
CICS	Customer Information Control System
CIO	Chief Information Officer
CLIA	Clinical Laboratory Improvement Act
CMS	Centers for Medicare and Medicaid Services
CMS-64	Quarterly Medicaid Statement of Expenditures
COLD	Computer Output Laser Disc
CPA	Certified Public Accountant
CPS	Child Protective Services
CPT	Current Physician Terminology
CPU	Central Processing Unit
CRM	CMS Reimbursement Mapping
CSED	HSD Child Support Enforcement Division

Acronym	Definition
CSR	Change System Request
CTI	Computer-Telephony Integration
CYFD	Children, Youth and Families Procuring Agency
DDE	Direct Data Entry
DESI	Drug-Effectiveness Source Identifier
DME	Durable Medical Equipment
DMERC	Durable Medical Equipment Regional Carrier
DOH	Procuring Agency of Health
DRAMS	Drug Rebate Analysis and Management System
DRG	Diagnosis Related Group
DUR	Drug Utilization Review
EDP	Electronic Data Processing
EFT	Electronic Funds Transfer
EHR	Electronic Health Record
EIS	Executive Information System
EMC	Electronic Media Claims
EOB	Explanation of Benefits
EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
FADS	Fraud and Abuse Detection System
FCN	Financial Control Number
FFP	Federal Financial Participation
FFS	Fee for Service
FICA	Federal Insurance Contributions Act
FMA	Financial Management Agent (Mi Via)
FMAC	Federal Maximum Allowable Cost
FTE	Full Time Equivalent
FTP	File Transfer Protocol
FUL	Federal Upper Limit
FUTA	Federal Unemployment Tax Authority
GAAP	Generally Accepted Accounting Principles
GEM	General Equivalence Mapping
GUI	Graphical User Interface
HCBSW	Home and Community-Based Services Waivers
HCFA	Health Care Financing Administration
HCPCS	Healthcare Common Procedure Coding System
HHS OIG	Procuring Agency of Health and Human Services Office of Inspector General
HIFA	Health Insurance Flexibility and Accountability
HIPAA	Health Insurance Portability and Accountability Act of 1996
HIT	Health Information Technology
HSD	Human Services Procuring Agency
ICD	International Classification of Diseases
ICD-9	International Classification of Diseases, Ninth Revision
ICD-10	International Classification of Diseases, Tenth Revision
ICD-10-CM	International Classification of Diseases, Tenth Revision, Clinical Modification

Acronym	Definition
ICD-10-PCS	International Classification of Diseases, Tenth Revision, Procedure Coding System
ID	Identification (as in "ID card")
IHS	Indian Health Services and/or Tribal 638 Facility
IRS	Internal Revenue Service
ISD	HSD Income Support Division
ISD2	Integrated Service Delivery 2 (HSD's eligibility determination system)
IT	Information Technology
ITD	HSD Information Technology Division
JCL	Job Control Language
LAN	Local Area Network
LEIE	List of Excluded Individuals/Entities
LTC	Long Term Care
MAD	HSD Medical Assistance Division
MARS	Management and Administrative Reporting Subsystem
MB	Megabyte
MCH	Maternal and Child Health
MCO	Managed Care Organization
MEQC	Medicaid Eligibility Quality Control
MEVS	Medicaid Eligibility Verification System
MITA	Medicaid Information Technology Architecture
MMIS	Medicaid Management Information System
MSIS	Medicaid Statistical Information System
NCPDP	National Council for Prescription Drug Programs
NDC	National Drug Code
NIST	National Institute of Standards and Technology
NMAC	New Mexico Administrative Code
NMDOIT	New Mexico Procuring Agency of Information Technology
NMSA	New Mexico Statutes Annotated
NM SIIS	New Mexico Statewide Immunization Information System
NPI	National Provider Identifier
OCR	Optical Character Recognition
OM	Operations Management (MITA Business Area)
OTC	Over the Counter
PA	Prior Authorization
PACE	Program of All-inclusive Care for the Elderly
PAK	Premium Assistance for Kids
PAM	Premium Assistance for Maternity
PBCPC	Pharmacy Benefits Claim Processing Component
PBCPCS	Pharmacy Benefits Claim Processing Component System
PBX	Private Branch Exchange
PC	Personal Computer
PCO	Personal Care Option
PDL	Preferred Drug List

Acronym	Definition
PE	Presumptive Eligibility
PERM	Payment Error Rate Measurement
POCMS	Plan of Care Management System
POS	Point of Sale
ProDUR	Prospective Drug Utilization Review
RA	Remittance Advice
REOMB	Recipient Explanation of Medical Benefits
RetroDUR	Retrospective Drug Utilization Review
SCI	State Coverage Insurance
SDX	State Data Exchange
SE	Statewide Entity (Behavioral Health)
SMAC	State Maximum Allowable Cost
SNAP	Supplemental Nutrition Assistance Program
SPSS	Statistical Package for the Social Sciences
SS-A	State Self-Assessment
SSI	Supplemental Security Income
SSP	Service and Support Plan
SURS	Surveillance and Utilization Review System
SUTA	State Unemployment Tax Authority
TANF	Temporary Assistance for Needy Families
TCN	Transaction Control Number
TIE	Transaction Interface Exchange
TPA	Third Party Assessor
TPL	Third Party Liability
TSU	Technical Support Unit
UR	Utilization Review
WAC	Wholesale Actual Cost
YES-New Mexico	Your Eligibility System-New Mexico (client web portal)

ARTICLE 2 – SCOPE OF WORK

- A. The Scope of Work. The Scope of Work, or “SOW” attached hereto as “**Exhibit A**,” is incorporated into this Agreement as if fully set forth herein. The SOW governs Contractor’s production and delivery of the Deliverables to Procuring Agency. The Parties may amend the SOW by executing one or more mutually agreed upon written amendments. In the event a conflict of terms exists between this Agreement and the SOW, the terms of this Agreement will govern.
- B. Contractor Default. Contractor will deliver the Deliverables as stated in the SOW. In the event Contractor fails to deliver the Deliverables according to the SOW, Procuring Agency may declare Contractor to be in Default hereunder. In the event Procuring Agency declares Contractor to be in Default, Procuring Agency will give written notice to Contractor describing the Default and will specify a reasonable period of time during which Contractor will remediate the Default. Contractor will then give Procuring Agency a written response that advises Procuring Agency concerning the measures Contractor will take to cure the Default as well as Contractor’s proposed timetable for implementing those measures. Nothing in this Section will be construed to prevent Procuring Agency from exercising Procuring Agency’s rights pursuant to Article 6 or Article 16, below.
- C. Schedule. Contractor will deliver the final Deliverables to Procuring Agency on or before the due dates stated in the SOW. The due dates will not be altered or waived by Contractor absent Procuring Agency’s prior written consent, according to the Amendment process stated in Article 25, below.
- D. Procuring Agency’s Rights. Any and all of Procuring Agency’s Data that is stored upon Contractor’s servers or lies within Contractor’s custody hereunder, is Procuring Agency’s sole and separate property and inures to Procuring Agency’s exclusive benefit. None of Contractor or Contractor’s Employees, subcontractor(s), affiliates and/or assigns will make use of, disclose, sell, copy, license or reproduce Procuring Agency’s Data in any manner, or provide of Procuring Agency’s Data to any third party, except as permitted under this Agreement or the SOW, absent Procuring Agency’s prior written authorization.

ARTICLE 3 - COMPENSATION

- A. Compensation Schedule. Procuring Agency will pay Contractor according to the fixed price set for each Deliverable, per the schedule stated in the SOW, less retainage, if any, as identified in Paragraph D.
- B. Payment. The total compensation hereunder will not exceed **\$186,548,040.87** including New Mexico gross receipts tax. This amount is the maximum total amount; it is not a guarantee that the work to be performed by Contractor, and the total of the corresponding payments that Procuring Agency pays to Contractor, will equal the maximum total amount. However, the Parties do not intend for Contractor to continue to deliver the Deliverables without compensation once the total compensation amount has been reached. Therefore, Contractor must notify Procuring Agency before the price of a Deliverable reaches the compensation amount for that Deliverable stated in the SOW. In

no event will Procuring Agency pay Contractor for any Deliverables in an amount that exceeds the maximum total amount without this Agreement being amended in writing prior to Contractor's continued delivery of the Deliverables.

Procuring Agency will pay Contractor upon Procuring Agency's Acceptance of each Deliverable according to Article 4, below, and upon the receipt and Acceptance of Contractor's detailed and certified Payment Invoice(s). Procuring Agency will forward its payments to Contractor's designated mailing address, stated in Article 28, below. In accordance with Section 13-1-158 NMSA 1978, Procuring Agency will tender payment to Contractor within thirty (30) days of the date of Procuring Agency's written certification of Acceptance. All Payment Invoices **MUST BE** received by Procuring Agency no later than fifteen (15) days after the termination of this Agreement. Contractor's Payment Invoices received by Procuring Agency later than fifteen (15) days after the termination of this Agreement **WILL NOT BE PAID**.

- C. Taxes. Contractor will be reimbursed by Procuring Agency for applicable New Mexico gross receipts taxes ("GRT"), excluding interest or penalties assessed on Contractor by the New Mexico Taxation and Revenue Department. Contractor is solely responsible for the payment of GRT for any money Contractor receives hereunder. Contractor must report its GRT, income tax and other tax obligations under Contractor's Federal and State tax identification number(s).

Contractor and its subcontractors, if any, will pay all Federal, State and local income and other taxes and government fees applicable to its operation(s) as well as the taxes and fees associated with Contractor's employment of its Employees. Contractor will require its subcontractors, if any, to hold Procuring Agency harmless from any responsibility for taxes, damages, fees and interest, if applicable, as well as any and all contributions required under Federal and/or state and local laws and regulations, including any other costs, transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

- D. Retainage. Procuring Agency will retain 20% of Contractor's Design Development and Implementation (DDI) costs as security for Contractor's full performance of this Agreement. Procuring Agency will release all retained amounts to Contractor upon completion of DDI.

- E. Performance Bond. Contractor will execute and deliver to Procuring Agency, contemporaneously with the execution of this Agreement, a performance bond in the amount of **\$16,943,308.34**, 30% of DDI costs (the "Performance Bond") in Procuring Agency's name. The Performance Bond will be in effect until DDI is completed. Procuring Agency will condition its release of the Performance Bond upon Procuring Agency's Acceptance of Contractor's full performance and fulfillment of each and every of its Deliverables, terms, conditions, provisions, and obligations through completion of DDI. Procuring Agency's right to recoup monies against the Performance Bond will include all of Procuring Agency's costs and damages associated with the transfer of the

Deliverables to a third party or to the Procuring Agency as a result of Contractor's performance failure(s).

ARTICLE 4 – ACCEPTANCE

- A. Submission. Upon Contractor's completion and delivery of each Deliverable stated in the SOW, Contractor will submit a Payment Invoice, together with an accurate description of the Deliverable, to Procuring Agency. Contractor will submit its Payment Invoices to Procuring Agency according to, or lower than, the Deliverable price stated in the SOW, less the retainage, if any, stated in Article 3(D), above. Contractor will not submit Payment Invoices to Procuring Agency for any amount(s) that exceed the amount(s) stated in the SOW absent Procuring Agency's prior written permission.
- B. Acceptance. According to Section 13-1-158 NMSA 1978, the ELR will determine whether the Deliverable(s) meet(s) the specifications stated in the SOW. Procuring Agency will not pay for any Deliverable until the ELR Accepts the Deliverable in writing. In order to Accept a Deliverable, the ELR, in conjunction with the Project Manager, will perform a Quality Assurance Review of the Deliverable to determine, at a minimum, whether the Deliverable:
1. Meets or exceeds the Deliverable requirements stated in the SOW; and
 2. Complies with the terms and conditions of **Request for Proposal 20-630-8000-0001**; and
 3. Meets or exceeds the generally accepted industry standards and procedures applicable to the Deliverable(s); and
 4. Complies with all other of Contractor's requirements, duties, and obligations hereunder.

In the event the ELR Accepts a Deliverable according to the ELR's Quality Assurance Review, the ELR will send Contractor the ELR's written Acceptance within fifteen (15) Business Days, or other period determined by the Procuring Agency based on the complexity of the deliverable, (the "Acceptance/ Rejection Period") from the date the ELR receives each of Contractor's Payment Invoice(s).

- C. Rejection. If the ELR fails to give Contractor notice of Procuring Agency's rejection of a Payment Invoice within the Acceptance/Rejection Period, the Deliverable, together with its corresponding Payment Invoice will be deemed to be Accepted by Procuring Agency. In the event the ELR rejects the Deliverable following the ELR's Quality Assurance Review within the Acceptance/Rejection Period, the ELR will send Contractor a rejection notice together with a consolidated set of comments ("Comments") indicating the issues, unacceptable items, and/or requested revisions that Contractor should make or perform with respect to the rejected Deliverable. Upon Contractor's receipt of the ELR's rejection and Comments, Contractor will have ten (10) Business Days to resubmit the rejected Deliverable to Procuring Agency together with Contractor's revisions, corrections and/or modifications made according to the ELR's Comments. Upon receipt of Contractor's revised, corrected or modified ("Revised") Deliverable, the ELR will determine whether

the Revised Deliverable is Acceptable by conducting a second Quality Assurance Review. The ELR will then issue a written determination of Procuring Agency's acceptance or rejection of the Revised Deliverable within fifteen (15) Business Days of Procuring Agency's receipt of the Revised Deliverable. In the event the ELR rejects the Revised Deliverable according to the second Quality Assurance Review, Contractor will be then required to provide a remediation plan that will include a list of Contractor's planned corrective measures and an associated timeline for Contractor to complete its remediation of the Deliverable. Contractor's remediation plan must be accepted by the ELR prior to Contractor's implementation of its Deliverable remediation plan. At the same time, Contractor will also be subject to pay Procuring Agency all of Procuring Agency's monetary damages associated with Contractor's failure to timely deliver an Acceptable Deliverable and must complete all remedies attributable to Contractor's late delivery of the Deliverable. In the event ELR rejects a Deliverable three times, Procuring Agency may declare Contractor to be in Default and may immediately terminate this Agreement. Procuring Agency may then seek to recover from Contractor any and all damages and remedies available hereunder and otherwise available in law or equity.

ARTICLE 5 – TERM

THIS AGREEMENT WILL BECOME EFFECTIVE AND BINDING ONLY UPON THE SIGNATURE OF THE STATE PURCHASING DIVISION.

This Agreement will terminate on July 31, 2026, unless extended or terminated pursuant to Article 6, below. The term of this Agreement, including extensions and renewals, will not exceed eight years, which includes a four-year initial term, plus the option to extend for four (4) additional one-year periods, upon written notice to the Contractor by the Procuring Agency prior to the expiration of the then current term, except as may otherwise be allowed by Section 13-1-150 NMSA 1978.

ARTICLE 6 – TERMINATION

- A. **Grounds.** Procuring Agency may terminate this Agreement at any time for convenience or cause. In addition, in the event Procuring Agency desires to host the solution in the Procuring Agency's environment instead of a contractor environment, the Procuring Agency may elect to terminate the hosted portion only of the Contract for convenience, at no additional cost to Procuring Agency, upon written notice to Contractor. Contractor may only terminate this Agreement in the event Procuring Agency materially Defaults hereunder and subsequently fails to cure its Default within ninety (90) days from the date Contractor first declares Procuring Agency to be in Default.

- B. **Appropriations.** Procuring Agency may terminate this Agreement if required by changes in State or federal law, or so ordered by a court of competent jurisdiction, or due to insufficient appropriations made available by the United States Congress and/or the State Legislature concerning the Parties' performance hereunder. Procuring Agency's determination concerning whether sufficient appropriations are available will be deemed fully accepted by Contractor and will be final. In the event Procuring Agency terminates this Agreement pursuant to this subparagraph B, Procuring Agency will provide

Contractor written notice of such termination at least Thirty (30) Days prior to the effective date of the termination.

C. Notice; Opportunity to Cure.

1. Except as otherwise provided in Paragraph (B), immediately above, Procuring Agency will give Contractor written notice of Procuring Agency's intended termination at least thirty (30) days prior to the effective termination date.
2. Contractor will give Procuring Agency written notice of Contractor's termination at least thirty (30) days prior to Contractor's effective termination date, which notice will (i) identify Procuring Agency's material Default(s) upon which Contractor bases its termination, and (ii) state the measures Procuring Agency should implement to cure such material Default(s). Contractor's termination notice to Procuring Agency will only take effect: (i) if Procuring Agency fails to cure Procuring Agency's material Default(s) within Contractor's thirty (30) Day notice period, or (ii) in the event Procuring Agency cannot reasonably cure its material Default(s) within Contractor's thirty (30) Day notice period, Procuring Agency will issue a written notice to Contractor concerning: (a) Procuring Agency's intent to cure, and (b) Procuring Agency's commencement of the due diligence necessary to cure its material Default as soon as reasonably practicable.
3. Notwithstanding the foregoing, Procuring Agency may terminate this Agreement immediately upon its written notice sent to Contractor: (i) in the event Contractor becomes patently unable to deliver the Deliverables, as Procuring Agency may, in its sole and exclusive reasonable discretion, determine; (ii) if, during the term of this Agreement, Contractor is suspended or debarred by the State Purchasing Agent; or (iii) this Agreement is terminated pursuant to Article 5, above.

- D. Liability. Except as otherwise expressly allowed or provided hereunder, Procuring Agency's sole liability upon termination by either Party will be to compensate Contractor for Contractor's services and acceptable work performed prior to Contractor's receipt or issuance of a written termination notice, including, without limitation, all property or materials required to be delivered to Procuring Agency upon termination of the Agreement; provided, however, that a notice of termination issued by either Party will not nullify or otherwise affect either Party's liability for pre-termination defaults hereunder. Contractor will submit a Payment Invoice to Procuring Agency within thirty (30) days of receiving or issuing a notice of termination.

THE PROVISIONS CONTAINED WITHIN THIS ARTICLE 6 ARE NOT EXCLUSIVE AND DO NOT ACT TO WAIVE EITHER PARTY'S OTHER LEGAL RIGHTS AND EQUITABLE REMEDIES ENGENDERED BY THE OTHER PARTY'S DEFAULT HEREUNDER.

ARTICLE 7 – TERMINATION MANAGEMENT

- A. Contractor's Duties. In the event this Agreement is terminated for any reason, or upon expiration, and in addition to all of Procuring Agency's other rights to receive Deliverables and other property hereunder, Contractor will:

1. Transfer, deliver, and/or make readily available to Procuring Agency every completed Deliverable, partially completed Deliverable, and all Procuring Agency Data and/or Procuring Agency Intellectual Property (defined below);
2. Not incur any further financial obligations for materials, services, or facilities hereunder absent Procuring Agency's prior written approval;
3. Terminate all of Contractor's purchase orders, procurements and subcontractors and will cease all work, except as Procuring Agency may direct, for the orderly completion of the Deliverables and the transition, if any, to a third party;
4. Take and effect all actions as Procuring Agency may direct, for the protection and preservation of the Deliverables, the Data, Procuring Agency's Intellectual Property and all other all Procuring Agency property as well as any and all records pertaining to, related to and/or required hereunder;
5. Agree in writing that Procuring Agency is not liable for any costs arising out of the termination other than the costs specified in Section 6.D.;
6. Cooperate fully in the closeout or transition of Contractor's activities to facilitate Procuring Agency's administration continuity with respect to Procuring Agency's ongoing projects and programs;
7. In the event this Agreement is terminated due to Contractor's Default, lack of performance and/or negligence or willful misconduct, which result(s) in funding reduction(s) to Procuring Agency from any governmental or other source, Contractor will remit the full amount of the funding reduction(s) to Procuring Agency within thirty (30) days of the date of Procuring Agency's request to Contractor for remittance of the funding reduction(s);
8. Should this Agreement terminate due to Contractor's Default, Contractor will reimburse Procuring Agency for all costs arising from retaining one or more third party(ies) at potentially higher rates as well as for all other direct costs incurred by Procuring Agency following Contractor's Default subject to the liability cap contained in Article 16 below; and
9. In the event this Agreement is terminated for any reason, or upon its expiration, Contractor will develop and submit for Procuring Agency's Acceptance a turnover plan ("Turnover Plan") at least ten (10) Business Days prior to the effective date of termination or expiration of this Agreement. Contractor's Turnover Plan will state Contractor's policies, procedures, and measures necessary to ensure: (1) the least disruption in the delivery of the Deliverables during Procuring Agency's transition of the Project to a third party; and (2) Contractor's cooperation with Procuring Agency and the third party with respect to Contractor's orderly transfer of all partial or completed Deliverables to Procuring Agency and the third party.

Contractor's Turnover Plan will consist of Contractor's orderly and timely transfer or return to Procuring Agency of any and all Procuring Agency Data, the system turnover plan, and Procuring Agency Intellectual Property. Upon receipt of Procuring Agency's written request for such transfer or return, Contractor will, within five (5) Business Days,

provide to Procuring Agency a copy of Contractor's most recent versions of Procuring Agency's Data, the system turnover plan, and Procuring Agency Intellectual Property.

ARTICLE 8 – INDEMNIFICATION

- A. General. Contractor will defend, indemnify and hold harmless Procuring Agency, the State and their Employees free from all actions, proceedings, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of Contractor's performance of this Agreement, which is caused by Contractor's or Contractor's Employees' negligent act(s) or failure(s) to act, during the time when Contractor, and/or any of Contractor's Employees, has delivered or is delivering the Deliverables hereunder. In the event that any action, suit or proceeding related to the Deliverables is brought against Contractor and/or any of Contractor's Employees, Contractor will, as soon as practicable, but no later than two (2) Business Days after Contractor receives notice thereof, will notify, by certified mail, the legal counsel of Procuring Agency, the Risk Management Division of GSD, and DoIT.
- B. The indemnification obligation hereunder will not be limited by the existence of any insurance policy. Money due or to become due to Contractor hereunder may be retained by Procuring Agency, as necessary, to satisfy any outstanding claim that Procuring Agency may have against Contractor.

ARTICLE 9 – INTELLECTUAL PROPERTY

- A. Procuring Agency Ownership. Procuring Agency and Contractor agree that Procuring Agency shall be the exclusive owner of all right, title, and interest in and to any custom developed modifications to the Conduent Medicaid Suite (CMdS)(defined below), specifically paid for entirely by the State under this Agreement, along with reports, data, and materials that are created specifically for Procuring Agency by Contractor and paid for entirely by Procuring Agency as an output of the services described in the SOW (the "Services") or other performance by Contractor under this Agreement or any SOW (collectively, the "Procuring Agency Intellectual Property"). Such Procuring Agency Intellectual Property shall be deemed a work-made-for-hire under the Copyright Act; and that Procuring Agency shall have the exclusive right to protect the Procuring Agency Intellectual Property by patent, copyright, or any other means. In the event that, by operation of law or otherwise, Contractor is deemed to be the owner of all or any portion of the intellectual property rights in the Procuring Agency Intellectual Property, Contractor hereby assigns all such intellectual property rights to Procuring Agency and agrees to cooperate with Procuring Agency in confirming Procuring Agency's sole and exclusive ownership of the Procuring Agency Intellectual Property, without further consideration to Contractor. For the avoidance of doubt, any development or configuration of Contractor Intellectual Property (defined below) used internally by Contractor to provide Services that results in Procuring Agency-specific versions of the Contractor Intellectual Property, shall not be considered Procuring Agency Intellectual Property. The term "CMdS" or "Solution" includes, without limitation, CMdS Claims Processing and Financial Services components, Flexible RX PBM platform, CMdS Drug

Rebate, Conduent EDI Gateway, FIS/Protiviti and CMdS Payer CRM, subject to any and all product updates, refreshes or replacements made at the sole discretion of Contractor.

- B. Contractor Ownership. Procuring Agency and Contractor agree that Contractor shall be the exclusive owner of all right, title, and interest in and to all pre-existing software, programming, tools, documentation, materials, and other intellectual property, or materials developed independently from this Agreement that is not Procuring Agency Intellectual Property (collectively, the “Contractor Intellectual Property”) of any kind, used, developed, or delivered by Contractor to Procuring Agency in connection with providing the Applications, Documentation, Deliverables and Services or other performance by Contractor under this Agreement, including, without limitation, CMdS; that such Contractor Intellectual Property shall not constitute a work-made-for-hire under the Copyright Act; and that Contractor shall have the exclusive right to protect the Contractor Intellectual Property by patent, copyright, or any other means. In the event that, by operation of law or otherwise, Procuring Agency or the State of New Mexico is deemed to be the owner of all or any portion of the intellectual property rights in the Contractor Intellectual Property, Procuring Agency or the State of New Mexico, as applicable, hereby assigns all such intellectual property rights to Contractor and agrees to cooperate with Contractor in confirming Contractor’s sole and exclusive ownership of the Contractor Intellectual Property, without further consideration to Procuring Agency.
- C. Fixed Term License. Contractor grants to Procuring Agency a renewable, limited, non-exclusive, non-sublicensable, non-transferable right to use, to access, to host and to permit the state staff users identified in the SOW (“Users”) to use and access the portions of the CMdS necessary for Procuring Agency to use the Procuring Agency Intellectual Property for the sole purpose of providing financial services to eligible New Mexico Medicaid recipients during the period starting on the date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party’s signature) (the “Effective Date”) and ending four (4) years later, subject to the right to extend the license for four (4) additional one (1) year periods upon payment of the applicable license fee; PROVIDED THAT this license does not apply to third party commercial off the shelf (COTS) software, programming, tools, documentation, materials, and other intellectual property, or materials, for which Contractor will obtain third party licenses for the term of the Agreement only or to open source software, programming, tools, documentation, materials, and other intellectual property, or materials. Procuring Agency shall not extract such Contractor Work Product from Procuring Agency Work Product for use separately therefrom. Neither the Procuring Agency or the State of New Mexico shall cause or permit the reverse engineering, disassembly, or decompilation of the CMdS.
- D. License Back. Procuring Agency hereby grants to Contractor a worldwide, royalty-free, fully paid-up, nonexclusive, nontransferable (except in the event of a Change of Control), non-sublicensable, irrevocable right and license to reproduce and have reproduced, to prepare derivative works, to distribute (by any means and using any technology, whether now known or unknown) copies to the public, to display or perform (by any means and using any technology, whether now known or unknown, including electronic transmission), to design, to develop, to make and have made, to use, to sell and offer for

sale, to import and otherwise dispose of any and all products, apparatus, devices, services, or systems, and to practice and have practiced any method or process involved in the making or use of the Procuring Agency Intellectual Property. Contractor may grant sublicenses thereof to its Affiliates, Procuring Agency's distributors, resellers, OEM (Original Equipment Manufacturer), Procuring Agency's VAR (Value-added Reseller), Procuring Agency's VAD (Value-added Distributor), Procuring Agency's downstream systems integrators and other downstream channels of distribution solely as embodied in products or services of Contractor.

- E. Source Code Escrow and Release. For software that is defined as Procuring Agency Intellectual Property in Section A (Procuring Agency Ownership) and software for which Contractor has granted Procuring Agency a fixed term license under Section C (Fixed Term License) (collectively, the "Software"), Contractor shall deliver to Contractor's Escrow Agent the Source Code, which shall include all Software program listings with existing comments, system descriptions and other technical documentation necessary for maintaining, updating and using the Software for the purposes described and permitted in this Agreement. Contractor shall deposit the Source Code for and relating to updates with the Escrow Agent within 30 days of operation and release of the Software in accordance with the Escrow Agreement and shall provide timely notice to Procuring Agency of such updates. Contractor shall disclose to Procuring Agency the existence of third-party software and make commercially reasonable efforts to obtain the consent of the owner to the escrow of its source code in accordance with this License.

The Source Code and related documentation shall be released to Procuring Agency in accordance with the terms and conditions of the Escrow Agreement which, at a minimum, shall authorize release in the event of: (a) Contractor's request in writing that Escrow Agent release the Deposit Materials to Procuring Agency; (b) the appointment of a receiver for Contractor, or any other proceeding involving insolvency or the protection of or from creditors, including but not limited to a bankruptcy proceeding, receivership, liquidation, assignment for the benefit of creditors or composition of creditors; (c) Failure of Contractor to function as a going concern or to operate in the ordinary course; or (d) material breach of this agreement by Contractor, whereby, with respect to (b), (c) and (d) above, Procuring Agency is unable to receive the benefit of the Services related to the Software. Procuring Agency's rights to the Software upon such release shall be as set forth in Sections A, B, C and D above.

ARTICLE 10 – INTELLECTUAL PROPERTY INDEMNIFICATION

- A. Intellectual Property Indemnification. At Contractor's sole expense, Contractor will defend Procuring Agency, the State and/or any other State entity against any claim brought or made by a third party alleging that any product, Service or Deliverable that Contractor provides hereunder pursuant to the terms of this Agreement infringes the third party's intellectual property (an "Infringement Claim"). Contractor will pay all costs, damages and attorney's fees and monetary damages that may be awarded as a result of such Infringement Claim(s) in addition to the amount of the judgment award(s). To

qualify to receive Contractor's defense cost(s) and/or other payment(s) related to any Infringement Claim(s), Procuring Agency will:

1. Give Contractor written notice, within forty-eight (48) hours, of Procuring Agency's receipt of an Infringement Claim;
2. Work with Contractor to control the defense and settlement of the Infringement Claim(s); and
3. Cooperate with Contractor, in a reasonable manner, to facilitate Contractor's defense or settlement of the Infringement Claim(s).

C. Procuring Agency's Rights. In the event any product, Service or Deliverable that Contractor provides to Procuring Agency hereunder becomes, or in Contractor's opinion is likely to become, the subject of an Infringement Claim, Contractor will, at its sole cost and expense:

1. Provide Procuring Agency the right to continue using the product, Service or Deliverable and fully indemnify Procuring Agency against any and all third Infringement Claim(s) that may arise from Procuring Agency's use of the product, Service or Deliverable;
2. Replace or modify the product, Service or Deliverable so that such product, Service or Deliverable becomes non-infringing; or
3. Accept the return of the product, Service or Deliverable and refund an amount equal to the value of the returned product, Service or Deliverable, less the unpaid portion of the purchase price and any other amounts, which Procuring Agency owes to Contractor. Contractor's obligation will be void with respect to any product, Service or Deliverable modified by Procuring Agency to the extent the modification is the direct cause of the Infringement Claim.

ARTICLE 11 - WARRANTIES

- A. General. Contractor hereby expressly warrants the Deliverable(s) will be correct in all aspects according to the specifications stated in the SOW and all generally accepted industry standards (the combination of which comprise the "Applicable Specifications") for a period of 4 years. Contractor's warranty includes, but is not limited to, Contractor's making correction(s) of defective Deliverable(s) and revision(s) of those defective Deliverables, as necessary, including Contractor's repair of deficiencies in the Deliverables that are discovered during testing, implementation, or post-implementation phases.
- B. Solution. Contractor warrants that the Solution will be correct in all aspects according to the Applicable Specifications. Contractor further warrants that the Solution will meet the Applicable Specifications for life of the term of this contract. In the event the Solution fails to meet the Applicable Specifications during the warranty period, Contractor will correct the deficiencies, at no additional cost to Procuring Agency, so that the Solution meets the Applicable Specifications.

ARTICLE 12 – CONTRACTOR PERSONNEL

- A. **Key Personnel.** Contractor’s key personnel (“Key Personnel”) will not be diverted from this Agreement absent Procuring Agency’s prior written approval. Key Personnel are those individuals Procuring Agency considers to be mandatory to the work to be performed hereunder. Contractor’s Key Personnel hereunder will be:

TBD, Executive Account Manager; TBD, Deputy Account Manager; TBD, MMIS Systems Manager; TBD, Claims/TPL Manager; TBD, Financial Manager; TBD, Technical Support Manager; TBD, Business Service Manager and TBD, Pharmacy Services Manager; TBD, Project Manager and TBD, Drug Rebate Accounting Manager.

- B. **Personnel Changes.** In the event Contractor replaces any of its Key Personnel, Contractor will make such replacement(s), with Contractor’s other personnel of equal or superior ability, experience, and qualifications. Contractor’s Key Personnel replacements must be pre-approved in writing by Procuring Agency’s Project Manager. For all of Contractor’s Key Personnel, Procuring Agency reserves the right to require submission of their resumes prior to receiving Procuring Agency’s approval. In the event Contractor reduces the number of its Key Personnel assigned to the Project for any reason, Contractor will, within thirty (30) Days of its Key Personnel reduction, replace those persons with the same or a greater number of persons with equal or superior ability, experience, and qualifications, subject to Procuring Agency’s prior written approval. Procuring Agency, in its sole and exclusive determination, may extend the time Contractor is allowed beyond the required thirty (30) Day period concerning Contractor’s replacement of its Key Personnel. Contractor will include status reports to Procuring Agency concerning Contractor’s Key Personnel replacement efforts as well as the impact upon the progress of the Project due to the absence of Contractor’s personnel. In addition, Contractor will make interim arrangements to assure that the progress of the Project remains unimpeded by the loss of any of Contractor’s personnel. Procuring Agency reserves the right to require a change in Contractor’s Key Personnel in the event Contractor’s Key Personnel are not, in Procuring Agency’s sole and exclusive determination, meeting Procuring Agency’s standards and/or expectations.

ARTICLE 13 – INDEPENDENT CONTRACTOR STATUS

- A. **Independent Contractor.** For the purposes of this Agreement, Contractor and Contractor’s Employees are independent Contractors who produce and deliver the Deliverables to Procuring Agency. Contractor’s Employees are neither employees nor agents of the State (“State Employees”). None of Contractor and Contractor’s Employees will accrue State benefits, including but not limited to, leave, retirement, insurance, bonding, use of state vehicles, or any other benefits that may be afforded to State Employees as a result of Contractor’s entering this Agreement. Contractor acknowledges and agrees that all sums received hereunder are either reportable as a separate business entity or are, in the event Contractor operates as a sole proprietorship, personally reportable by Contractor for income and GRT tax purposes as self-employment or business income and are reportable for self-employment tax.

- B. Subject of Proceedings. Contractor warrants that neither Contractor nor any of Contractor's Employees are presently subject to any litigation or administrative proceeding before any court or administrative body which could adversely affect Contractor's ability to perform hereunder; nor, to the best of Contractor's knowledge, information or belief, is any such litigation or proceeding presently threatened against Contractor or any of Contractor's Employees. In the event any such proceeding is initiated or threatened during the term of this Agreement, Contractor will immediately disclose such initiation or threat to Procuring Agency.

ARTICLE 14 - CHANGE MANAGEMENT

Change Request Process. In the event circumstances warrant Contractor making a Change to accomplish the SOW, Contractor **or Procuring Agency Project Manager** will submit a Change Request to Procuring Agency. Each Change Request must meet the following criteria:

1. The Project Manager will draft a written Change Request for the ELR's review and approval, including:
 - (a) the name of the person requesting the Change;
 - (b) a summary of the requested Change;
 - (c) the start date for the requested Change;
 - (d) the reason and necessity for the requested Change;
 - (e) the elements in the Deliverable(s) and/or the SOW that must be altered in order for Contractor to produce and deliver the Change; and
 - (f) the impact of the Change upon the Project.
2. The ELR will provide a written decision concerning each Change Request to Contractor within ten (10) Business Days of the ELR's receipt of each Change Request. All decisions made by the ELR concerning a Change Request will be deemed final. Each Change Request, once approved by the ELR, will be integrated into the SOW through an Amendment executed by the Parties if required by Article 25, Section 2.

ARTICLE 15 – INDEPENDENT VERIFICATION AND VALIDATION

- A. In the event IV&V Professional Services are used for the Project associated with this Agreement, Contractor will fully comply and cooperate with the IV&V vendor. Contractor's cooperation includes, but is not limited to:
1. Providing the Project documentation;
 2. Allowing the IV&V vendor to attend Project related meetings; and
 3. Supplying the IV&V vendor with any/all other information and/or material(s) as may be directed by the Project Manager.
- B. In the event the purpose of this Agreement is for Contractor to provide IV&V Professional Services, then Contractor will:

1. Submit its IV&V reports directly to DoIT's Project Oversight and Compliance Division (EPMO@state.nm.us) according to DoIT's IV&V Reporting Template and Guidelines located on DoIT's webpage: http://www.doit.state.nm.us/project_templates.html, with a copy to Procuring Agency.
2. Use a report format consistent with DoIT's IV&V Reporting Template and Guidelines located on the same DoIT website.

ARTICLE 16 – LIMITATION ON LIABILITY

- A. The Contractor's cumulative liability to the Procuring Agency for any and all actions, whether in contract or in tort, shall not exceed two (2) times the not to exceed amount set forth in Article 3(B) (Payment) of this Agreement.
- B. The limitation of liability set forth in Article 16(A) above, shall not apply to:
 1. Damages finally adjudicated to be a direct result from Contractor's bad faith or willful misconduct; and
- C. Neither party shall be liable for indirect or consequential damages regardless of the form of action, whether in contract, tort or otherwise, and even if such party has been advised of the possibility of such damages. Any specific types or forms of damages not addressed in this Agreement shall be subject to the liability cap set forth in Article 16(A) above.
- D. The Contractor shall be liable for damages arising out of bodily injury to persons and/or damage to real or tangible personal property before or after Acceptance, delivery, installation and use of the equipment provided by Contractor, and during the warranty period either at the Contractor's site or the Procuring Agency's place of business, provided that the injury or damage was caused by the negligence of the Contractor or defect of the equipment or installation by Contractor, subject to the liability cap set forth in Article 16(A) above. The Contractor shall not be liable for damages arising out of, or caused by, alterations to the equipment, (other than alterations performed or caused by Contractor's officers, employees or agents), made by the Procuring Agency or for losses occasioned by the Procuring Agency's fault or negligence.
- E. The Contractor shall include special terms and conditions in its subcontract with Spectrum Industries, LLC ("Spectrum") that shall include, but are not limited to:
 1. That Procuring Agency is a third-party beneficiary;
 2. That the subcontract is entered into for goods and services that are to be directly provided by Spectrum to the Procuring Agency;
 3. That the Procuring Agency, the State of New Mexico, its officers, directors, agents, and employees shall be indemnified by Spectrum for any claim that any product or service provided under the subcontract between Contractor and Spectrum, including all costs, damages and attorneys' fees that may be awarded as a result of such claim;
 4. That the Procuring Agency has a direct claim against Spectrum for any

product or service provided under the subcontract between Contractor and Spectrum that fails to meet the terms and conditions set forth therein; and

5. That Spectrum shall indemnify and hold harmless the Contractor for any direct or indirect claim brought against the Contractor, whether in tort or in contract, for goods provided and services rendered under the subcontract.

- F. Notwithstanding Contractor's existing obligations under Article 16 of the Agreement given the requirements set forth in subsection (E), the Contractor shall not be liable to the Procuring Agency or the State for any losses, damages, costs, liabilities and expenses alleged to have been sustained by the Procuring Agency or the State resulting from the performance of non-performance by Spectrum of its obligations under the subcontract, including but not limited to negligence or breach of contract.

ARTICLE 17 – EQUITABLE REMEDIES

Subject to the other terms and conditions contained in this Agreement, each party acknowledges that its failure to comply with any provision hereunder may cause the other party irrevocable harm and that a remedy at law for such a failure would constitute an inadequate remedy for such other party. Each party consents to other party's obtaining from a court of competent jurisdiction, specific performance, or injunction, or any other equitable relief in order to enforce such compliance. Each party's right to obtain equitable relief pursuant to this Agreement will be in addition to, and not in lieu of, any other remedy that such party may have under applicable law, including, but not limited to, monetary damages.

ARTICLE 18 - LIABILITY

Subject to Article 16 above, Contractor will be liable for damages arising out of injury to persons and/or damage to real, tangible or intangible property at any time, in any way, if and to the extent that the injury or damage was caused by or due to Contractor's fault or negligence or to a defect in Contractor's production or delivery of any Deliverable hereunder, whether Contractor produces or delivers the Deliverable in whole or part. Contractor will not be liable for damages arising out of, or caused by, alterations made by Procuring Agency to any equipment or its installation or for losses caused by Procuring Agency's fault or negligence.

ARTICLE 19 – ASSIGNMENT

Contractor will not assign or transfer any of Contractor's interests, rights, responsibilities, duties, obligations and/or liabilities hereunder or assign any of Contractor's claims for money due or that might become due hereunder absent Procuring Agency's prior written approval.

ARTICLE 20 – SUBCONTRACTING

- A. **General Provision.** Contractor will not subcontract or assign any portion of this Agreement or the SOW to any subcontractor absent Procuring Agency's prior written approval. No such subcontracting or assignment will relieve Contractor of its direct and indirect responsibilities, duties, obligations and/or liabilities hereunder, nor will any such subcontracting trigger or obligate Procuring Agency to make a payment, either directly or indirectly, to any subcontractor.
- B. **Responsibility for Subcontractors to Maintain Confidentiality.** Contractor will not disclose any of Procuring Agency's or State's Confidential Information to a subcontractor absent Procuring Agency's prior written consent. Each subcontractor will agree in a written form pre-approved by Procuring Agency to protect and keep confidential any and all Confidential Information in the same manner required of Contractor stated in Article 22, below.

ARTICLE 21 – RELEASE

Contractor's Acceptance of Procuring Agency's final payment made hereunder will operate as Contractor's full release of Procuring Agency, the State, and their officers, employees and agents from any and all liabilities, claims and obligations whatsoever arising hereunder.

ARTICLE 22 – CONFIDENTIALITY

Contractor will protect and keep confidential any and all Procuring Agency Confidential Information that Procuring Agency provides to Contractor as well as any and all Procuring Agency Confidential Information that Contractor develops based upon information provided by Procuring Agency during Contractor's performance hereunder. Contractor will not make available or provide such Procuring Agency Confidential Information to any third party absent Procuring Agency's prior written approval. Upon termination of this Agreement, Contractor will: (a) deliver all Procuring Agency Confidential Information in its possession to Procuring Agency within thirty (30) Business Days of the termination, and (b) Contractor will protect and will not make available or provide any Procuring Agency Confidential Information to any third party absent Procuring Agency's prior written approval for a period of five (5) years commencing on the termination or expiration date. Contractor acknowledges that Contractor's failure: (a) to deliver such Procuring Agency Confidential Information to Procuring Agency, or (b) to protect and keep such Procuring Agency Confidential Information secret may result in Procuring Agency's seeking to obtain direct from Contractor.

ARTICLE 23 –CONFLICT OF INTEREST

Contractor warrants that it presently has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with Contractor's delivery of the Deliverables required hereunder. Contractor certifies that it has followed the requirements of the Governmental Conduct Act, Sections 10-16-1 through 10-16-18, NMSA 1978, regarding contracting with a public officer, state employee or former state employee.

ARTICLE 24 - RECORDS AND AUDIT

Contractor will maintain detailed records directly pertinent to verifying Contractor's invoices submitted under this Agreement during this Agreement's term and will retain those records for a period of five (5) years from the date of Procuring Agency's final payment to Contractor hereunder. Contractor's records will be subject to inspection by Procuring Agency, DoIT's CIO, NMSPA, GSD, Department of Finance Authority and the New Mexico State Auditor's Office. Procuring Agency will have the right to audit Contractor's billings prior and subsequent to each of Procuring Agency's payments made to Contractor. Procuring Agency's payment for the Deliverables hereunder will not foreclose Procuring Agency's right to recover Procuring Agency's payments made to Contractor against Contractor's illegal Payment Invoices, if any. For avoidance of doubt, the right of audit under this Agreement extends only to those Contractor records directly pertinent to verifying invoices. Notwithstanding any other language, section, or provision, the Procuring Agency, DoIT's CIO, NMSPA, GSD, Department of Finance Authority and the New Mexico State Auditor's Office shall have no access to Contractor's confidential or proprietary cost or pricing data. Contractor shall be entitled to (i) reasonable advance written notice of an audit, (ii) the auditor(s) conducting the audit during Contractor's regular business hours and on a non-interference with business operations basis, (iii) an auditor entrance and exit conference, and (iv) a reasonable opportunity to review the auditor's draft finding and provide comments before the audit is issued.

ARTICLE 25 - AMENDMENT

This Agreement will not be altered, changed, or amended except by an instrument in writing executed by the Parties. No amendment will be effective or binding unless approved by all of the State's and Contractor's approval authorities. Amendments are required for changes in the following:

1. Deliverable requirements stated in the SOW;
2. Due Date of any Deliverable stated in the SOW only if due date change requires extension of Article 5 termination date;
3. Compensation for any Deliverable stated in the SOW;
4. Agreement Compensation, pursuant to Article 3; or
5. Agreement termination, pursuant to Article 5.

ARTICLE 26 – NEW MEXICO EMPLOYEES HEALTH COVERAGE

- A. In the event Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period on the Project during the term of this Agreement, Contractor certifies, by signing this Agreement, to have in place, and agree to maintain for the term of this Agreement, health insurance for those employees and offer that health insurance to those employees in the event the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

- B. Contractor will maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. Contractor's records are subject to review and audit by a representative of the State.
- C. Contractor will advise Contractor's Employees concerning the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information:
<https://www.bewellnm.com>.

ARTICLE 27 – SEVERABILITY, MERGER, SCOPE, ORDER OF PRECEDENCE

- A. Severability. The provisions of this Agreement are severable, and in the event for any reason, a clause, sentence or paragraph of this Agreement is determined to be invalid by a court, agency or commission having jurisdiction over the subject matter hereof, such invalidity will not affect the other provisions of this Agreement, which will be given effect absent the invalid provision.
- B. Merger/Scope/Order. This Agreement incorporates any and all agreements, covenants and understandings between the Parties concerning the subject matter hereof, and all such agreements, covenants and understanding have been merged into this Agreement. No prior agreement or understanding, verbal or otherwise, of the Parties or their agents or assignees will be valid or enforceable unless stated in this Agreement.

In the event of any conflict among the documents and materials, the following order of precedence shall apply:

1. The terms and conditions of this Agreement and its Exhibits;
2. The requirements and expectations as described in the **Request for Proposal 20-630-8000-0001** and any RFP amendments issued;
3. The services offered in the proposal submitted by the Contractor in Response to **Request for Proposal 20-630-8000-0001**.

ARTICLE 28 – NOTICES

All deliveries, notices, requests, demands or other communications provided for or required by this Agreement will be in writing and will be deemed to have been given when sent by registered or certified mail (return receipt requested), when sent by overnight carrier, or by email addressed to the other Party's Representative.

Notices will be addressed as follows:

For Procuring Agency
Agency Approved Contact
HSD/Information Technology Division
1301 Siler Road, Building B/C
Santa Fe, NM 87504-2348

For CONTRACTOR
Conduent State Healthcare, LLC
750 First Street, NE
10th Floor
Washington, DC 20002
Telephone: 202-840-7089
E-mail: clientcontracts@conduent.com

Any change made concerning either a change of address or a replacement of a Party's Representative must be made in an email or a hard copy letter addressed to the other Party's Representative.

ARTICLE 29 – GENERAL PROVISIONS

- A. Contractor will abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State, including but not limited to:
1. Civil and Criminal Penalties. The Procurement Code, Sections 13-1-28 through 13-1-199 NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.
 2. Equal Opportunity Compliance. Contractor will abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State, pertaining to equal employment opportunity. In accordance with all such laws of the State, Contractor will assure that no person in the United States will, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed hereunder. In the event Contractor is found to be out of compliance with these

requirements during the life of this Agreement, Contractor will take appropriate measures to correct its deficiencies.

3. Workers Compensation. Contractor will comply with state laws and rules applicable to workers compensation benefits for its employees. In the event Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by Procuring Agency.
- B. Applicable Law. The laws of the State will govern this Agreement. Venue will be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By executing this Agreement, Contractor acknowledges and will submit to the jurisdiction of the courts of the State over any and all such lawsuits arising hereunder.
- C. Waiver. A Party's failure to require strict performance of any provision of this Agreement will not waive or diminish that Party's right thereafter to demand strict compliance with that or any other provision. No waiver by a Party of any of its rights hereunder will be effective unless made in writing, and no effective waiver by a Party of any of its rights will be effective to waive any of its other rights, duties or obligations hereunder.
- D. Headings. Any and all headings within this Agreement are inserted for convenience and ease of reference and will not be considered in the construction or interpretation of any article, section or provision of this Agreement or the SOW. Numbered or lettered provisions, sections and subsections contained herein refer only to provisions, sections and subsections of this Agreement unless otherwise expressly stated.
- E. Dispute Resolution. In the event a dispute arises between the Parties, either Party may send a letter to the other Party requesting the other Party to enter into a dispute resolution process, such as mediation or arbitration, in accordance with NMSA 1978 12-8A-1 through 12-8A-3.

ARTICLE 30 - SURVIVAL

The Articles titled Intellectual Property, Intellectual Property Ownership, Confidentiality, and Warranties will survive the expiration or termination of this Agreement. The term license for the Solution and the escrow agreement entered into by the Parties in conjunction with this Agreement will survive the expiration or termination of this Agreement in accordance with their terms.

ARTICLE 31 - TIME

Calculation of Time. Any time period herein calculated by reference to a "day" or "days" means a calendar day or calendar days, unless Business Days are used; provided, however, that in the event the last day for a given act falls on a Saturday, Sunday, or a holiday as observed by the State, the day for such given act will be the first day following that is not a Saturday, Sunday, or a State observed holiday.

ARTICLE 32 – FORCE MAJEURE

Neither Party will be liable for damages or have any right to terminate this Agreement for any delay or Default in performing hereunder in the event such delay or Default is caused by conditions beyond the Party's control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), war, insurrection and/or any other cause beyond the reasonable control of the Party whose performance is affected thereby.

ARTICLE 33 - DEBARMENT AND SUSPENSION

- A. Consistent with all applicable federal and/or state laws and regulations, as applicable, and as a separate and independent requirement of this Agreement the Contractor certifies by signing this Agreement, that it and its principals, to the best of its knowledge and belief: (1) are not debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal department or agency; (2) have not, within a three-year period preceding the effective date of this Agreement, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; (3) have not been indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with, commission of any of the offenses enumerated above in this Paragraph A; (4) have not, within a three-year period preceding the effective date of this Agreement, had one or more public agreements or transactions (Federal, State or local) terminated for cause or default; and (5) have not been excluded from participation from Medicare, Medicaid or other federal health care programs pursuant to Title XI of the Social Security Act, 42 U.S.C. § 1320a-7.
- B. The Contractor's certification in Paragraph A, above, is a material representation of fact upon which the Procuring Agency relied when this Agreement was entered into by the parties. The Contractor's certification in Paragraph A, above, shall be a continuing term or condition of this Agreement. As such at all times during the performance of this Agreement, the Contractor must be capable of making the certification required in Paragraph A, above, as if on the date of making such new certification the Contractor was then executing this Agreement for the first time. Accordingly, the following requirements shall be read so as to apply to the original certification of the Contractor in Paragraph A, above, or to any new certification the Contractor is required to be capable of making as stated in the preceding sentence:
1. The Contractor shall provide immediate written notice to the Procuring Agency's Contract Manager if, at any time during the term of this Agreement, the Contractor learns that its certification in Paragraph A, above, was erroneous on the effective date of this Agreement or has become erroneous by reason of new or changed circumstances.

2. If it is later determined that the Contractor's certification in Paragraph A, above, was erroneous on the effective date of this Agreement or has become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Procuring Agency, the Procuring Agency may terminate the Agreement.
- C. As required by statute, regulation or requirement of this Agreement, and as contained in Paragraph A, above, the Contractor shall require each proposed first-tier subcontractor whose subcontract will equal or exceed \$25,000, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by any Federal department or agency. The Contractor shall make such disclosures available to the Procuring Agency when it requests subcontractor approval from the Procuring Agency. If the subcontractor, or its principals, is debarred, suspended, or proposed for debarment by any Federal, state or local department or agency, the Procuring Agency may refuse to approve the use of the subcontractor.

ARTICLE 34 - CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS

- A. The applicable definitions and exceptions to prohibited conduct and disclosures contained in 31 U.S.C. § 1352 and 45 C.F.R. Part 93, as applicable, are hereby incorporated by reference in subparagraph (B) of this certification.
- B. The Contractor, by executing this Professional Services Contract (PSC), certifies to the best of its knowledge and belief that:
1. No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement; and
 2. If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the contractor shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer.
- C. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

- D. This certification is a material representation of fact upon which reliance is placed when this Agreement is made and entered into. Submission of this certification is a prerequisite for making and entering into this Agreement imposed under 31 U.S.C. § 1352. It shall be a material obligation of the Contractor to keep this certification current as to any and all individuals or activities of anyone associated with the Contractor during the pendency of this Agreement. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to: (1) a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure; and/or (2) at the discretion of the Procuring Agency, termination of the Agreement.

ARTICLE 35 - NON-DISCRIMINATION

- A. The Contractor agrees to comply fully with Title VI of the Civil Rights Act of 1964, as amended; the Rehabilitation Act of 1973, Public Law 93-112, as amended; and the Americans With Disabilities Act of 1990, Public Law 101-336; in that there shall be no discrimination against any employee who is employed in the performance of this Agreement, or against any applicant for such employment, because of age, color, national origin, ancestry, race, religion, creed, disability, sex, or marital status.
- B. This provision shall include, but not be limited to, the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.
- C. The Contractor agrees that no qualified handicapped person shall, on the basis of handicap, be excluded from participation or be denied the benefits of, or otherwise be subjected to discrimination under any program or activity of the Contractor. The Contractor further agrees to insert similar provisions in all subcontracts for services allowed under this Agreement under any program or activity.
- D. The Contractor agrees to provide meaningful access to services for individuals with Limited English Proficiency (LEP) in accordance with Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency."

ARTICLE 36 – DRUG FREE WORKPLACE

- A. Definitions. As used in this paragraph—
1. "Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act, 21 U.S.C § 812, and as further defined in regulation at 21 CFR §§ 1308.11 - 1308.15.
 2. "Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

3. “Criminal drug statute” means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.
4. “Drug-free workplace” means the site(s) for the performance of work done by the Contractor in connection with a specific contract where employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.
5. “Employee” means an employee of a Contractor directly engaged in the performance of work under a Government contract. “Directly engaged” is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.
6. “Individual” means a contractor that has no more than one employee including the contractor.

B. The Contractor, if other than an individual, shall:

1. Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor’s workplace and specifying the actions that will be taken against employees for violations of such prohibition;
2. Establish an ongoing drug-free awareness program to inform such employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The Contractor’s policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph B. (1);
4. Notify such employees in writing in the statement required by subparagraph B. (1) of this clause that, as a condition of continued employment on this Agreement, the employee will:
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of the employee’s conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction;
5. Notify Procuring Agency in writing within 10 days after receiving notice under B. (4)(b) of this paragraph, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

6. Within 30 days after receiving notice under B.(4)(b) of this paragraph of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - a. Taking appropriate personnel action against such employee, up to and including termination; or
 - b. Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
 7. Make a good faith effort to maintain a drug-free workplace through implementation of B. (1) through B. (6) of this paragraph.
- C. The Contractor, if an individual, agrees by entering into this Agreement not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.
- D. In addition to other remedies available to the Procuring Agency, the Contractor's failure to comply with the requirements of subparagraph B or C of this paragraph will render the Contractor in default of this Agreement and subject the Contractor to suspension of payments under the Agreement and/or termination of the Agreement in accordance with paragraph 4, above.

ARTICLE 37 - FINDINGS AND SANCTIONS

- A. The Contractor agrees to be subject to the findings, sanctions and disallowances assessed or required as a result of audits pursuant to this agreement.
- B. The Contractor will make repayment of any funds expended by the Procuring Agency, subject to which an auditor acting pursuant to this Agreement finds were expended, or to which appropriate federal funding agencies take exception and request reimbursement through a disallowance or deferral based upon the acts or omissions of the Contractor that violate applicable federal statues and/or regulations.
- C. If the Procuring Agency becomes aware of circumstances that might jeopardize continued federal funding, the situation shall be reviewed and reconciled by a mutually agreed upon panel of Contractor and the Procuring Agency officials. If reconciliation is not possible, both parties shall present their view to the Director of the Administrative Services Division who shall determine whether continued payment shall be made.

ARTICLE 38 – PERFORMANCE

In performance of this Agreement, the Contractor agrees to comply with and assume responsibility for compliance by its employees, its subcontractors, and/or Business Associates (BA), as applicable, with the following requirements:

- A. All work will be performed under the supervision of the Contractor, the Contractor's employees, and the Contractor's subcontracted staff.
- B. Contractor agrees that, if Federal Tax Information (FTI) is introduced into Contractor's information systems, work documents, and/or other media by written agreement, any FTI as described in 26 U.S.C. § 6103, limited to FTI received from, or created on behalf of Procuring Agency by Contractor; Protected Health Information (PHI) as defined in 45 C.F.R. § 160.103, limited to PHI received from or created on behalf of Procuring Agency by Contractor; or Personally Identifiable Information (PII) as defined by the National Institute of Standards of Technology, limited to PII received from or created on behalf of Procuring Agency by Contractor pursuant to the Services; all together referred to hereafter in Article 38 as Confidential Information, made available to Contractor shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and will not be divulged or made known in any manner to any person or entity except as may be necessary in the performance of this contract. Inspection by, or disclosure to, any person or entity other than an officer, employee, or subcontractor of the Contractor is prohibited.
- C. Contractor agrees that it will account for all Confidential Information upon receipt and store such Confidential Information in a secure manner before, during, and after processing. In addition, all related output will be given the same level of protection by the Contractor as required for the source material.
- D. The Contractor certifies that the Confidential Information processed during the performance of this Agreement will be deleted from, or otherwise wiped, removed, or rendered unreadable or incapable of reconstitution by known means on all electronic data storage components in Contractor's facilities, including paper files, recordings, video, written records, printers, copiers, scanners and all magnetic and flash memory components of all systems and portable media, and no output will be retained by the Contractor at the time the work is completed or when this Contract is terminated. If immediate purging of all electronic data storage components is not possible, the Contractor certifies that any Confidential Information remaining in any storage component will be safeguarded, using IRS Pub 1075 information storage safeguarding controls for FTI to prevent unauthorized disclosures beyond the term of this Agreement as long as Contractor is in possession of such Confidential Information.
- E. Any spoilage or any intermediate hard copy printout that may result during the processing of Confidential Information will be given to the Procuring Agency or his or her designee. When this is not possible, the Contractor will be responsible for the destruction (in a manner approved by the Procuring Agency) of the spoilage or any

intermediate hard copy printouts, and will provide the Procuring Agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

- F. All of Contractor's computer systems, office equipment, written records, and portable media receiving, processing, storing, or transmitting Confidential Information must meet the requirements defined in relevant federal regulations such as IRS Publication 1075, HIPAA Privacy Rule (45 CFR Part 160 and Subparts A and E of Part 164), HIPAA Security Rule (45 CFR Part 160 and Subparts A and C of Part 164), Centers for Medicare or Medicaid Services, and/or any other Federal requirements that may apply to this contract. To meet functional and assurance requirements, the security features of the Contractor's environment must provide for security across relevant managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Confidential Information.
- G. No work involving Confidential Information furnished under this Agreement will be subcontracted without prior written approval of the Procuring Agency.
- H. The Contractor will maintain a list of its personnel, subcontractors, and/or business related entities with authorized access (electronic or physical) to Procuring Agency Confidential Information. Such list will be provided to the Procuring Agency and, upon request, to the federal agencies as required.
- I. The Contractor will provide copies of signed acknowledgments for its staff and its subcontractors and/or Business Associates, to provide certification that relevant information security awareness and training was completed. These certifications will be provided to the Procuring Agency upon contract start and, at a minimum, annually thereafter during the term of this Agreement.
- J. Upon request, the Contractor will provide the Procuring Agency copies of current policies and/or summaries of its current plans that document Contractor's privacy and security controls as they relate to Procuring Agency Confidential Information. This includes, at a minimum, any System Security Plans which describe the administrative, physical, technical, and system controls to be implemented for the security of the Procuring Agency's Confidential Information. The plan shall include the requirement for a Contractor notification to the Procuring Agency Security Officer or Privacy Officer of breaches or potential breaches of information within 24 hours of their discovery. The Parties acknowledge potential breach does not include the ongoing existence and occurrence or attempts of unsuccessful security incidents for which no additional notice to Procuring Agency Security Officer or Privacy Officer shall be required. "Unsuccessful security incidents" means, without limitation, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful logon attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.

- K. All incidents affecting the compliance, operation, or security of the Procuring Agency's Confidential Information must be reported to the Procuring Agency. The Contractor shall notify the Procuring Agency of any instances of security or privacy breach issues or non-compliance promptly upon their discovery **within the time limits established by governing authorities**, but no later than a period of 24 hours (as stated above). Notification shall include a description of the privacy and security non-compliance issue and corrective action planned and/or taken.
- L. The Contractor must provide the Procuring Agency with a summary of a corrective action plan (if any) to provide any necessary safeguards to protect PII, **or other listed client information**, from security breaches or non-compliance discoveries. The corrective action plan must contain a long-term solution to possible future privacy and security threats to PII. In addition to the corrective action, the Contractor must provide updates at agreeable intervals to the Procuring Agency as to the progress of all corrective measures taken until the issue is resolved. The Contractor shall be responsible for all costs of implementing the corrective action plan.
- M. All client files and patient records created or used to provide services under this Agreement, as between the parties, are at all times property of Procuring Agency. Upon Procuring Agency's request, all such client files and patient records shall be returned to Procuring Agency upon Procuring Agency's request or no later than the final agreed upon termination date of this contract.
- N. HSD Personally Identifiable Information (PII) cannot be accessed by HSD employees, agents, representatives, or contractors located offshore, outside of the United States territories, embassies, or military installations. Further, Procuring Agency Confidential Information, PII, PHI, and FTI may not be received, processed, stored, transmitted, or disposed of by information technology (IT) systems located offshore.

ARTICLE 39 - CRIMINAL/CIVIL SANCTIONS

- A. It is incumbent upon Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C.552a. Specifically, 5 U.S.C.552a(i)(1), which is made applicable to contractors by 5 U.S.C.552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to Procuring Agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully disclose the material in any manner to any person not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- B. Contractor agrees that granting access to PHI and PII must be preceded by certifying that each individual understands the Procuring Agency's applicable security policy and procedures for safeguarding PHI and PII. Contractors must maintain their authorization to

access PHI and PII through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review.

ARTICLE 40 – INSPECTION

The Procuring Agency shall have the right, with two (2) weeks prior notice, to send its inspectors into the offices and plants of the Contractor to inspect the facilities and operations provided for the performance of any work related to PHI and PII under this Agreement. On the basis of such inspection specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

ARTICLE 41 - CONTRACTOR'S RESPONSIBILITY FOR COMPLIANCE WITH LAWS AND REGULATIONS

- A. The Contractor is responsible for compliance with applicable laws, regulations, and administrative rules that govern the Contractor's performance of the Scope of Work of this Agreement and Exhibit A, including but not limited to, applicable State and Federal tax laws, State and Federal employment laws, State and Federal regulatory requirements and licensing provisions.
- B. The Contractor is responsible for causing each of its employees, agents or subcontractors who provide services under this Agreement to be properly licensed, certified, and/or have proper permits to perform any activity related to the Scope of Work of this Agreement and Exhibit A.
- C. If the Contractor's performance of its obligations under the terms of this agreement qualifies it as a Business Associate of the Procuring Agency as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated thereunder, the Contractor agrees to execute the Procuring Agency Business Associate Agreement (BAA), attached hereto as Exhibit B, and incorporated herein by this reference, and comply with the terms of the BAA and subsequent updates.

ARTICLE 42 - CONTRACTOR'S RESPONSIBILITY FOR COMPLIANCE WITH LAWS AND REGULATIONS RELATING TO INFORMATION TECHNOLOGY

The Contractor agrees to monitor and control all its employees, subcontractors, consultants, or agents performing the Services under this PSC in order to assure compliance with the following regulations and standards insofar as they apply to Contractor's processing or storage of Procuring Agency's Confidential Information or other data:

1. The Federal Information Security Management Act of 2002 (FISMA);
2. The Health Insurance Portability and Accountability Act of 1996 (HIPAA);
3. The Health Information Technology for Economic and Clinical Health Act (HITECH Act);
4. Electronic Information Exchange Security Requirements, Guidelines, And Procedures for State and Local Agencies Exchanging Electronic Information With The Social Security Administration; and

5. NMAC 1.12.20, *et seq.* “INFORMATION SECURITY OPERATION MANAGEMENT”.

ARTICLE 43 ENFORCEMENT

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

ARTICLE 44 AUTHORITY

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

ARTICLE 45 MEDIA

Contractor shall not release or distribute, via news media, social media, or any other consumable media source, any Agreement-related information, including but not limited to, information regarding Contractor's work under the terms of the Agreement, or the status of the work under the Agreement, without the prior express consent of Procuring Agency. The Contractor's request to release any Agreement information shall contain a copy of the specific information the Contractor is seeking approval to release and a description of the intended form of release. This provision shall survive the term of this Agreement.

ARTICLE 46 PERFORMANCE MEASURES

CONTRACTOR shall perform the Performance Measures set forth in Exhibit C. In the event the CONTRACTOR fails to obtain the results described in Exhibit A, the Procuring Agency may provide written notice to the CONTRACTOR of the default and specify a reasonable period of time in which the CONTRACTOR shall advise the Procuring Agency of specific steps it will take to achieve these results and the proposed timetable for implementation. Nothing in this Section shall be construed to prevent the Procuring Agency from exercising its rights pursuant to Article 6.

ARTICLE 47 – INTERNAL CONTROLS

- A. If the CONTRACTOR is a company subject to the requirements of Section 404 (15 U.S.C. § 7262, Management Assessment of Internal Controls) of the Sarbanes-Oxley Act of 2002, the CONTRACTOR shall submit to the Procuring Agency's Contract Administrator a copy of the internal control report that the CONTRACTOR is required to file under 15 U.S.C. § 7262(a), including the management attestation, and a copy of the internal control evaluation and report required under 15 U.S.C. § 7262(b), including the auditor attestation. The reports and attestations submitted to the Procuring Agency shall comply with rules, requirements and standards adopted by the Securities and Exchange Commission and the Securities Exchange Commission Oversight Board pursuant to 15 U.S.C. § 7262. The reports and attestations submitted to the Procuring Agency shall be the most current filed reports available and shall be submitted to the Procuring Agency by no later than October 15th following each state fiscal year, or each partial state fiscal year, that the Agreement is in effect. If the Agreement expires or is terminated prior to the October 15th deadline in a year in which a submission of reports and attestations is due to the Procuring Agency, the CONTRACTOR's obligation to submit the reports and attestations to the Procuring Agency shall survive the expiration or termination of the Agreement.
- B. The CONTRACTOR shall submit to the Procuring Agency's Contract Administrator a **copy of its Soc 2 Type II** Service Audit Report prepared and issued in accordance with the SSAE-18 Service Organization Controls (SOC) Type II audit. The CONTRACTOR shall include with the Service Audit Report a correction plan detailing any deficiencies identified in the report and target dates for correction. The Procuring Agency will assess and respond to the acceptability of the correction plan. The Service Audit Report and correction plan, if any, shall be submitted to the Procuring Agency no later than August 15th following each state fiscal year, or each partial state fiscal year, that the Agreement is in effect and shall cover the previous twelve-month period ending June 30th. If the Agreement expires or is terminated **prior to the August 15 deadline** in a year in which a submission of a Service Audit Report and correction plan is due to the Procuring Agency, the CONTRACTOR's obligation to submit such report and plan to the Procuring Agency shall survive the expiration or termination of the Agreement.
- C. The CONTRACTOR will provide a SOC 2 Examination Report covering the controls specific to the Services provided to Contract Administrator and relevant to the Trust Services Principles of Security, for the procuring agency. CONTRACTOR shall provide the Procuring Agency a copy the SOC 2 Report as soon as reasonably possible after the conclusion of such examination, but not later than August 15th following each state fiscal year or partial state fiscal year, that the Agreement is in effect and shall cover the previous twelve-month period ending June 30th. If the Agreement expires or is terminated prior to the August 15th deadline in a year in which submission of a Service Audit Report and correction plan is due to Procuring Agency, the CONTRACTOR's obligation to submit such report and plan to the Procuring Agency shall survive the expiration or termination of the Agreement.

ARTICLE 48 – ERRONEOUS ISSUANCE OF BENEFITS OR FUNDS

In the event of an error that causes compensation to the CONTRACTOR to be issued in error, the CONTRACTOR shall reimburse the State within thirty (30) days of written notice of such error for the full amount of the loss. Interest shall accrue at the statutory rate upon any amounts not paid and determined to be due thirty (30) days following the notice. Written notice is considered tendered as of the postmark date if mailed and the date received if hand delivered.

ARTICLE 49 – PROCURING AGENCY CONFIDENTIALITY

- A. Any confidential information, as defined in State or federal law, codes, rules, or regulations such as HIPAA, provided under this Agreement will not be made available to any individual or organization by the CONTRACTOR or its officers, agents, or employees without prior authorization by the Procuring Agency.
- B. The CONTRACTOR shall not make use of any information obtained during the course of this Agreement except as necessary for the proper discharge of its respective obligations herein.
- C. The CONTRACTOR warrants that it will maintain the confidentiality of all information derived from the Procuring Agency and will neither use or disclose it to any person or entity without the explicit written permission of the Procuring Agency, and that each and every employee, agent or assign of the CONTRACTOR has executed the binding agreement of the Statement of Confidentiality. The CONTRACTOR recognizes that irreparable harm can be occasioned to the Procuring Agency and their clients by disclosure of confidential information and accordingly, the CONTRACTOR will be solely responsible for any violations.
- D. The CONTRACTOR shall notify the Procuring Agency promptly of any unauthorized possession, use, knowledge, or attempt thereof, of confidential information. The CONTRACTOR shall promptly furnish to the Procuring Agency the full details of the unauthorized possession, use, or knowledge, or attempt thereof, and assist in investigating or preventing the recurrence thereof.
- E. The CONTRACTOR shall immediately notify the Procuring Agency of any attempt to subpoena or otherwise acquire the Procuring Agency's client records provided to the CONTRACTOR under this Agreement. Such records will not be released pursuant to subpoena without a court order signed by a judge. The provisions of 8 NMAC 3 ISD 030-039 will apply to confidential records provided to the CONTRACTOR by the Procuring Agency.
- F. The Procuring Agency shall have the right to request CONTRACTOR to perform background checks on all Contractor's personnel assigned to this project, as mandated by state or federal authorities, including any Subcontractor(s) assigned to this project. The

CONTRACTOR must advise its employees and/or Subcontractors in writing of this possibility prior to their employment on this project

- G. The CONTRACTOR shall treat all information and, in particular, information relating to recipients of the Procuring Agency's services, which is obtained through its performance under this Agreement as confidential information in accordance with the provisions of 45 C.F.R. 205.50, regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and all other applicable federal and State laws and regulations, and shall not use any information so obtained in any manner except as otherwise permitted by this Agreement and as necessary for the proper discharge of its obligations and securing of its rights hereunder. Subject to the provisions of Article 8 of this Agreement, the CONTRACTOR assumes responsibility for all liability caused by any breach of this Article and shall indemnify the Procuring Agency against all such liability accordingly. The CONTRACTOR shall comply with the breach notification requirements contained in Section 13402 of the Health Information Technology for Economic and Clinical Health (HITECH) Act, part of the American Recovery and Reinvestment Act of 2009 (ARRA), and with related regulations issued by CMS.
- H. The CONTRACTOR acknowledges that performance of their obligations under this Agreement makes it a Business Associate of the Procuring Agency as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated thereunder. The CONTRACTOR agrees to the terms of the Business Associate Agreement.

ARTICLE 50 – PERSONNEL CONTROL

The CONTRACTOR's personnel will be solely under the direction of the CONTRACTOR.

- A. The CONTRACTOR's employees and Subcontractors will not, in any sense, be considered employees of the Procuring Agency or the State of New Mexico, but will be considered the CONTRACTOR's employees for all purposes.
- B. Except as expressly provided in this Agreement, neither the CONTRACTOR nor any of the CONTRACTOR's employees or Subcontractors may act, in any sense, as agents of the Procuring Agency or the State of New Mexico.
- C. The CONTRACTOR's employees must be paid exclusively by the CONTRACTOR for all services performed.
- D. The CONTRACTOR assumes sole and full responsibility for its acts and the acts of its personnel and Subcontractors.
- E. The CONTRACTOR agrees that any claim on behalf of any person arising out of employment or alleged employment by Contractor (including, but not limited to, claims of discrimination against the CONTRACTOR, its officers, or its agents) are the sole responsibility of the CONTRACTOR and are not the responsibility of the Procuring Agency, and that the CONTRACTOR will indemnify and hold harmless the State of New Mexico from any and all such claims asserted against the State. The CONTRACTOR understands that any person who alleges a claim arising out of employment or alleged employment by the CONTRACTOR may not be entitled to any compensation, rights, or benefits from the Procuring Agency (including, but not limited to, tenure rights, medical and hospital care, sick and annual/vacation leave, severance pay, or retirement benefits).
- F. The CONTRACTOR's employees and Subcontractors will not, in any sense, be considered providers of Medicaid benefits under this Agreement.

ARTICLE 51 FEDERAL CLEAN AIR AND CLEAN WATER ACT

Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387), and will report violations to the Procuring Agency and the Regional Office of the Environmental Protection Agency (EPA).

ARTICLE 52 FEDERAL LICENSE

In compliance with federal funding provisions supporting this contract, the following conditions will apply to both Procuring Agency procurement of, or subscription to, Contractor's software.

- A. General. The Procuring Agency will have all ownership rights or copyright options in software, or modifications thereof, and associated documentation which is designed, developed, or installed with federal financial participation.
- B. Federal License. The Contractor shall deliver to the affiliated federal department supporting this contract a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal government purposes, such software, modifications, and documentation.
- C. Proprietary Software. The Contractor shall not be subject to the federal license or federal ownership provisions for proprietary operating/vendor software packages which are provided at established catalog or market prices and sold or leased to the general public.
- D. Software as a Service. For Software as a Service which provides the Procuring Agency a subscription to Contractor's proprietary applications or services, the Contractor shall provide the Procuring Agency change or configuration documentation related to Procuring Agency and/or federal compliance directives, policies, operation requirements, and/or statutory or regulatory requirements. Software as a Service is not subject to the federal license or federal ownership provisions as stated above.
- E. Data. The Procuring Agency and the federal government shall have the right to obtain, reproduce, publish, or otherwise use the data produced under this contract and authorize others to receive, reproduce, publish, or otherwise use such data for federal purposes.

IN WITNESS WHEREOF, the Parties hereby execute this Agreement, which will take effect on the last signature date of the required approval authorities below. Each of the signatories, below, may execute this Agreement by hard copy original, facsimile, digital or electronic signature, any of which shall be deemed to be a true and original signature hereunder.

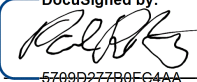
By: David R. Scrase, M.D. Date: 12/9/2022
DocuSigned by: 9DBE7D7D1B53422...
David R. Scrase, HSD Cabinet Secretary

By: Lydie Quebe Date: 12/5/2022
DocuSigned by: 5FB8C870DFC84BB...
Lydie Quebe, VP, General Manager, Conduent

By: Carolee A. Graham Date: 12/6/2022
DocuSigned by: FB15A98046214DA...
Carolee Graham, HSD Chief Financial Officer

By: Sean Pearson Date: 12/5/2022
DocuSigned by: 5318F28F172D40C...
Sean Pearson, HSD Chief Information Officer

Approved for legal sufficiency:

By:  Date: 12/8/2022
DocuSigned by: 5709D277B0FC4AA...
Paul Ritzma, HSD General Counsel

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the NM Taxation and Revenue Department to pay gross receipts and compensating taxes:

BTIN: 02-408915-00-0

By: Ann Marie Lucero Date: 12/9/2022
DocuSigned by: A1E23200AE074AA...
Tax and Revenue Department Representative

Approved for compliance with the Department of Information Technology Act, Chapter 9, Article 27 NMSA 1978 and Executive Orders relating to Information Technology issued by the Governor of the State of New Mexico.

By: Peter Mantos Date: 12/12/2022
DocuSigned by: BA22C09B847E4DC...
Peter Mantos, Acting Cabinet Secretary and State Chief Information Officer
Department of Information Technology

This Agreement has been approved by the General Services Department, Contracts Review

Bureau: Crystal Bowers Date: 12/14/2022
DocuSigned by: 983DC550420942E

EXHIBIT A – SCOPE OF WORK**I. Purpose of this Agreement:**

The purpose of this Agreement including its goals and objectives are to engage the services of the Contractor to:

- (1) Design, develop, and implement and/or configure and implement, at the direction of the Procuring Agency, a pre-existing Centers for Medicare and Medicaid Services (CMS) compliant system that functions as the Financial Services (FS) module to meet the Procuring Agency's business needs as set forth in this Scope of Work.
- (2) Position the Procuring Agency for the future by:
 - a. Meeting the CMS - Seven Conditions and Standards;
 - b. Providing flexibility and reduced timeframes in addressing program changes;
 - c. Providing real-time transaction processing and claim adjudication across the board, including edits against claim history;
 - d. Eliminating forward funding for Mi Via services;
 - e. Meeting current and upcoming 21st Century Cures Act requirements;
 - f. Automating existing manual processes;
 - g. Incorporating alerts to meet user notification and workflow needs identified by Business Transformation Council (BTC) journeys; and Receiving and distributing Managed Care Organization (MCO) claims is a convenience to providers and offers greater visibility into MCO performance;
- (3) Provide comprehensive financial services to include:
 - a. Enterprise Claims Processing (including medical claims, pharmacy claims, non-medical claims, and other payment types);
 - b. Self-Directed Home and Community Based Services (SDHCBS);
 - c. Pharmacy Benefit Management Services (PBM);
 - d. Drug Rebate Management Services (DRMS);
 - e. Data Exchange and Reporting Services; and
- (4) Comply with accepted standards:
 - a. that promote interoperability across the HHS 2020 Framework and
 - b. that support successful Service Oriented Architecture (SOA) compliant integration with other Medicaid Management Information System Replacement (MMISR) modules and services,
 - c. the Business Transformation Council (BTC) journeys, and
 - d. other Procuring Agency approved systems or contractors' services and
- (5) Provide a solution which is a continuation and transition of current services.

Certified Project Name: Medicaid Management Information System Replacement (MMISR) Project.

II. Performance Measures:

The Procuring Agency will monitor the following Performance Measures, per this agreement:

1. The Contractor shall coordinate its project or program management functions in alignment with the Procuring Agency project controls.
2. The Contractor shall develop appropriate training and operations documentation, in accordance with the CMS Enterprise Project Life Cycle requirements, for all FS components.
3. The Contractor shall, on an ongoing basis, maintain a proactive approach to security and operational requirements required by federal or state regulations.
4. The Contractor shall maintain general staff resources (including staff, training, onboarding, and ongoing competence as defined by Procuring Agency) required to meet the Procuring Agency's requirements to maintain the FS module and affiliated services.
5. The Contractor shall provide all the support necessary to operate and maintain its business services over the contract life, including creating and maintaining required documentation.
6. The Contractor shall collaborate with the Procuring Agency and the MMISR Independent Verification and Validation (IV&V) Contractor through the CMS Medicaid Management Information System (MMIS) certification process.
7. The Contractor shall maintain proper quality control and continuous process improvement throughout the contract period. The Contractor shall provide accurate measures in all reports. The Contractor shall monitor and assess performance and identify potential quality issues. The Contractor shall consult with the Procuring Agency and correct all quality issues within an agreed upon time frame. The Contractor shall provide ongoing quality management initiatives subject to the Procuring Agency approval.
8. The Contractor shall adhere to service level agreements (SLA) as set forth in the Request for Proposal (RFP) and addendums.
9. The Contractor shall adhere to the standards and protocols adopted by the Health and Human Services (HHS) Secretary under section 1104 and section 1561 of the Affordable Care Act (ACA).
10. The Contractor shall use a modular approach that is design-independent and has modules that can be changed without extensive impact. The modular approach is intended to create a framework aligned with Medicaid Information Technology Architecture (MITA) Version 3.0, which supports New Mexico's goal of operating Medicaid functions at a MITA maturity level four (4) in all business and technical areas, as outlined in the MITA State Self-Assessment. The Procuring Agency expects the Contractor to achieve automation to the fullest extent, comply with established industry standards; and make improvements in

timeliness, accuracy and customer satisfaction, and the development and implementation of regional/interstate standards and interfaces.

11. The Contractor shall ensure adherence to the Outcomes Based Certification (OBC) requirements as agreed to with the Procuring Agency and the CMS Seven Conditions and Standards (SCS) as shown in the procurement library.

III. **Activities:**

The activities to be performed in support of this agreement are as follows:

1. Contractor shall coordinate its activities and resources with the Procuring Agency to present Financial Service module performance reports and updates to stakeholders, legislative committees, or other Procuring Agency information commitments.
2. Contractor shall participate with Procuring Agency, and other module contractors and other agencies (Children, Youth, and Families Department [CYFD], Aging and Long-Term Services Department [ALTSD], etc.), in approved activities to improve services to Procuring Agency clients and stakeholders.
3. Contractor shall achieve all deliverable outcomes of Financial Services as defined by the contract to function with the Procuring Agency integration platform (IP).
4. Contractor shall periodically evaluate its staffing to confirm proficiency with Procuring Agency business tools to meet contract or project deadlines or performance levels.
5. Contractor shall update the Procuring Agency system development efforts related to hardware or software modifications in the service-oriented architecture.
6. Contractor shall maintain, as approved by the Procuring Agency, the contract activities, deliverable quality, project management practices, and administrative support required for contract performance in a timely and complete manner.
7. Contractor shall comply with Procuring Agency data governance processes, and Data Governance Council (DGC) initiatives, to ensure data accuracy and completeness.
8. The Contractor shall provide weekly and monthly project management reports which aligns with schedule, budget, scope, quality, resources, technical performance, operational performance, risks/issues, schedule metrics and status in terms of Cost Performance Indicator (CPI) and Schedule Performance Indicator (SPI), and recent and upcoming deliverable and milestone status.
9. The Contractor shall participate in the MMISR project working meetings such as Data Management Workgroup (DMW), Change Control Board (CCB), Risks & Issues, and adhere to EPMO plans and policies.
10. The Contractor shall provide continued administrative and fiscal agent support of the Procuring Agency health care programs through the provision of technical and operational services. The system shall ensure that the State continues to meet federal requirements while providing for increased program efficiency. The

Contractor shall operate and maintain the Omnicaid component, along with associated systems of the MMIS that are owned by the Procuring Agency and are currently in production until such time as the Contractor's new solution is implemented in production.

IV. Deliverables:

The following sections describe the required tasks and subtasks to be performed by the Contractor for each Deliverable under the terms of this Agreement. The Contractor must perform each task and/or subtask but is not limited to performing only the identified task or sub tasks in each project area. The Parties hereby agree that the Deliverable(s) are the controlling factor, and that the Contractor's obligation is to perform and deliver the Deliverable as described in the following sections.

Deliverable compensation amounts include maximum payable amounts for Sub-Task work which may be adjusted as determined by the Procuring Agency.

Deliverable 1: Project Management and Lifecycle Management Plans

<u>Deliverable One</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">Project Management and Lifecycle Management Plans</p>	<p align="center">30 days after execution of Contract</p>	<p>Total Compensation not to exceed \$2,627,798.63 including NMGRT less \$525,559.71 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$1,313,899.32 upon delivery of 1.1 Plans/Delivery Expected Document (DED) to Procuring Agency including NMGRT less \$262,779.86 retainage • Approximately \$1,313,899.31 upon approval and acceptance of 1.2 Review and Acceptance including NMGRT less \$262,779.85 retainage

Task Item	Sub Tasks	Description
1.1 Plans		
	<p>1.1.1 Project Management Plans</p>	<p>The Contractor shall comply with the following Procuring Agency, Enterprise Project Management Office (EPMO), and System Integrator (SI) project management plans:</p> <ul style="list-style-type: none"> • Requirements Management Plan • Requirements Traceability Matrix • Business Services Management Plan • Schedule Management Plan • Communications Management Plan • Change Management Plan • Risk Management Plan • Configuration Management Plan • Data Conversion Plan • Security Management/Privacy Plan • Staffing Resource Management Plan • Business Continuity, Backup and Disaster Recovery Planning • Implementation/Migration Plan • Meeting Planning and Administration Plan • Document/Deliverable Management Plan • Quality Management Plan • Testing Management Plan • Release Management Plan
	<p>1.1.2 Life Cycle Management Plans Addendums</p>	<p>The Contractor shall comply with the enterprise lifecycle management plans and create their own addendums to the plans listed above that are in alignment with their business solutions.</p> <p>The Contractor will participate in the MMISR project working</p>

Task Item	Sub Tasks	Description
		meetings such as Data Management Workgroup (DMW), Change Control Board (CCB), as we will expect them to join Risks & Issues, and adhere to PMO plans and policies.
	1.1.3 Test Management Plan	<p>The Contractor shall provide for each of the workstreams a test management plan with associated deliverables assuming they happen independently. If any of the workstreams are to be combined, the testing deliverables can be combined as permitted.</p> <p>The Contractor Testing activities, deliverables and processes are governed by the overarching EPMO Testing Management Plan (approved and available in Procuring Agency's SharePoint). Additional testing phases and activities not specifically called out in the Contractor's Test Management Plan but included in the EPMO Test Management Plan needs to be covered by the FS vendor.</p> <p>The contractor shall coordinate with other module contractors / SI contractor for any interdependencies in testing activities and deliverables.</p>
	1.1.4 Training Plan	<p>The Contractor shall use a flexible, multi-faceted approach and schedule for end-user and technical systems operation/configuration/ administration training, such as interactive computer-based training, classroom instruction, hands-on materials, etc.</p> <p>The Contractor shall address use of its services and provide up to date, proven techniques in training that will enable Stakeholder Users to perform required functions.</p> <p>The Contractor shall collaborate with FS module services to assure Providers receive the training and technical assistance required to use the Financial Services components.</p> <p>The Contractor shall provide training and knowledge transfer programs for State Users.</p> <p>The Contractor shall assess training effectiveness.</p> <p>The Contractor shall provide to the Procuring Agency and implement a Training Plan that includes at a minimum:</p> <ul style="list-style-type: none"> • Outlines the proposed classes and curriculum for each in-person and online class. • Provides a content outline to guide development of online (e.g., self-led tutorials, learning management systems [LMS], distance eLearning, instructor led WebEx) training and classroom materials. • Identifies attendees and instructors. • Provides a training schedule and sign-up capability.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Provides role-based User training and support. • Describes the process for accessing Contractor Subject Matter Expert(s) (SMEs) for training assistance. • Provides a mechanism for tracking completion of training and assistance
1.2 Review and Acceptance		
	1.2.1 Review and Acceptance	The Contractor will deliver plans, for review and acceptance by the Procuring Agency.
1.3 Manage Agreed Payment Schedule		
	1.3.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 1 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • Approximately \$1,313,899.32 upon delivery of 1.1 Plans/Delivery Expected Document (DED) to Procuring Agency including NMGRT less \$262,779.86 retainage • Approximately \$1,313,899.31 upon approval and acceptance of 1.2 Review and Acceptance including NMGRT less \$262,779.85 retainage

Deliverable 2: Establish Physical and Technical Infrastructure

<u>Deliverable Two</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">Establish Physical and Technical Infrastructure</p>	<p align="center">No Later Than 01-02-2024</p>	<p>Total Compensation not to exceed \$4,880,197.45 including NMGRT less \$976,039.49 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$976,039.49 upon Procuring Agency approval of 2.2.1 Requirements/Design / 2.2.2 Test Planning including NMGRT less \$195,207.90 retainage • Approximately \$976,039.49 upon Procuring Agency approval of 2.2.3 Test Execution including NMGRT less \$195,207.90 retainage • Approximately \$1,464,059.24 upon Procuring Agency approval of 2.2.4 User Acceptance Testing (UAT) including NMGRT less \$292,811.85 retainage • Approximately \$976,039.49 upon Procuring Agency approval of 2.2.5 Production Release including NMGRT less \$195,207.90 retainage • Approximately \$488,019.74 upon Procuring Agency approval of 2.3 Training including NMGRT less \$97,603.94 retainage

Task Item	Sub Tasks	Description
	<p>2.1 Service Enablement and SI Integration</p>	<p>The Contractor’s solution shall integrate with the System Integrator (SI)’s Integration Platform (IP), which is a highly reliable, loosely coupled, secure SOA-compliant platform that will provide core shared services and ongoing operational monitoring and management capability. Services are made available through open interfaces and exposed Application Programming Interfaces (APIs) as defined in the deliverable below on integration catalogs. Through these capabilities the IP achieves an open and reusable architecture. The Contractor’s solution shall not interfere with these capabilities.</p> <p>The Contractor shall adhere to all standards established by the SI and approved by the Procuring Agency for integration, interoperability, security, Single Sign On (SSO) and transmission of data. Additionally, the Contractor shall adhere to additional security requirements as defined within Deliverable 19 – Security.</p> <p>The Contractor’s solution shall exchange data using the SI’s Enterprise Service Bus (ESB) and acknowledge the data belongs to the Procuring Agency.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall provide an integration catalog giving an itemized list of all available services and the API parameters necessary to call them. The catalog shall also include a list of all services expected to be called from other modules, with expected parameters.</p> <p>The Contractor's solution shall provide metadata in a structured format for each service exposed in the integration catalog. The format is to be selected or developed in cooperation with the SI. The Contractor's solution will be able to access similar metadata information for services exposed by other modules in the enterprise via the DGC and guided by standards such as the Federal Health Information Model (FHIM), National Information Exchange Model (NIEM), Health Level Seven Clinical Document Architecture (HL7) and others. The DGC may expand the canonical model as it sees fit. The Contractor shall coordinate with the SI in the development of these model capabilities.</p> <p>The Contractor's solution shall use defined message models which will be a subset of the fully formed data models.</p> <p>The Contractor's solution shall provide an Electronic Data Interchange (EDI) processing interface which can receive transactions from an EDI Gateway.</p> <p>The Contractor's solution shall acknowledge, inspect, validate, unbundle, and handle all EDI transactions and send responses back to the IP to be returned to requestors via the API manager. For transactions falling outside of the Contractor's scope, the solution shall forward such transactions to the appropriate system(s), receive responses, and return them back via the API manager. In case of bundled messages combining EDI transactions within and outside of the Contractor's scope, the solution shall split off the portion to be handled by other system(s) and responses are to be bundled into a single instance corresponding to the initial request.</p> <p>The Contractor's solution shall provide canonical data equivalents to the EDI transaction (e.g.: claim status request/response [276/277]). The Contractor's solution may use any necessary technology as long as the resulting solution meets all applicable HHS 2020 SOA standards.</p> <p>The Contractor's solution shall allow data elements available through integration interfaces or predefined reports to be made available for subscription through predefined relational and/or time-based criteria.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall submit data and receive mastered data through the Master Data Management (MDM) using the canonical data model.</p> <p>The Contractor's solution shall use approved Extract, Transform and Load (ETL) and API processes to consume legacy data contained within the IP Systems Migration Repository (SMR).</p> <p>The Contractor's solution shall deliver through service enablement, limited extracts of data according to search criteria, as defined in coordination with the SI.</p> <p>The Contractor's solution shall deliver larger extracts of full records through file capability, as enabled by the API Manager. Encoding of the files shall be through one of several usual formats but naming of the columns must be through the canonical model.</p> <p>The Contractor's solution shall, as needed, be able to request services from some legacy systems through an orchestrated file interface utilizing a managed file transfer. The interface will be available through the API Manager.</p> <p>The Contractor's solution shall, as needed, be able to request and process or create certain industry standard files, such as MMA (Medicare-Medicaid Dually Eligible) files, TBQ (Territory & States Beneficiary Query for detailed Medicare beneficiary information on Medicare Parts A, B, C, and D eligibility and enrollment) files, etc. obtained through this same managed file transfer interface.</p> <p>The Contractor's solution shall also, as needed, present data to the enterprise through a file interface and managed file transfer, likewise be made available through the API manager.</p> <p>The Contractor's solution shall communicate using the canonical data model to the Unified Portal (UP) for user interfacing needs.</p> <p>The Contractor shall limit direct access to its solution by non-Contractor users as defined by the Procuring Agency.</p> <p>The Contractor shall deliver a security document describing how direct access users have accounts in the solution, or how the solution performs single sign-on (SSO) using Active Directory (AD) Credentialing.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall perform final validations, based upon State defined rules, on incoming requests. Some validations on enabled services are performed by the orchestrations and rules engines available in the ESB.</p> <p>The Contractor's solution shall record and make available to the enterprise for coordinated resolution later, requests which do not meet validity requirements. Requests which do not meet other more context sensitive requirements (e.g., nonexistent claim request for a particular client) shall likewise be recorded. All types of failed validations shall also result in an error response over the enterprise service bus.</p> <p>The Contractor's solution shall perform field validations for interactions through the Contractor's User Interface (UI) solution. Interactions which do not meet validity requirements shall also be recorded for resolution later. Such interactions should be identified as being received from the Contractor's UI.</p> <p>The Contractor shall provide reports to the enterprise in multiple formats including:</p> <ul style="list-style-type: none"> • Predefined reports to be generated at set intervals or when indicated by messaging from the enterprise SOA. Output is in an agreed common document type and to be shared with the enterprise. • Via exposed SOA service, with parameters specified in the service request and with output as a SOA service response. <p>The Contractor shall coordinate with the SI to provide through service enablement any reference data according to agreed upon data models.</p>
	2.2 Extensibility	<p>The Contractor's solution shall be extensible so that new, related functional areas can be added without disturbing the remainder of the Contractor's solution or that within the Enterprise.</p> <p>The Contractor's solution shall allow functional areas to be removed without disturbing remaining functional areas within the solution.</p>
	2.3 Shared Services	<p>The Contractor's solution shall use the Shared Services provided by the enterprise in the IP whenever possible. These services include:</p> <ul style="list-style-type: none"> • Identity Access and Management (IdAM). Typically, this will not be needed by the solution as incoming requests will already be validated by the requesting service, with the user identified in the request. The Contractor's solution shall log the user for use in audit trails and other analysis. MDM is available for accessing mastered enterprise data from across the enterprise.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Customer Communication Management (CCM) for correspondence between stakeholders. • Electronic Document Management (EDM) which serves as a searchable document repository. • Address Standardization, Verification and Validation (ASVV) tool. • Deidentified Data Service which allows data with Personally Identifiable Information (PII) to be converted such that it can be used in test environments.
	2.4 Workflow	<p>The Contractor’s solution must support, Procuring Agency approved, workflow management, defined as “sequential tasks carried out on user-defined rules or conditions, to execute a business process to meet a need or outcome,” throughout the Module, in order to provide the business outcomes required for accurate and efficient Medicaid processing, better serve Stakeholders, and comply with State and Federal requirements.</p> <p>The Contractor’s solution must include but, is not limited to, the ability to:</p> <ul style="list-style-type: none"> • Enter business rules based upon multiple criteria (e.g., policy, provider type/taxonomy, category of aid, CMS requirements, financial transactions, reporting needs); • Enter business rules for each step, task, inputs, outputs, role assignment, to achieve the desired business outcome; • Enter manual and automated tasks (that trigger an automated workflow) and timelines within each step throughout the business process; • Enter manual and automated escalation rules; • Enter manual and automated approval, denial, suspense rules; • Route and reroute tasks, as needed; • Enter alerts and/or notification that are triggered within each task/step; • Select how to receive alert/notification (e.g., email, text, banner); • Receive an alert, open alert, select the task, and perform the action to be taken (e.g., decision) to the task to work it, after which the workflow solution shall automatically mark the alert as resolved, remove it from User’s task list, and, if required, alert the entity responsible for the next step in the process; • Enter steps and tasks timelines with automated follow up and escalation; • Attach files and/or documents • Add notes • Enter step/task assignment rules to specific role, profile and/or person; • Enter rules for triggers, actions, timeframes, automatic follow up; and Integrate through the SI.

Task Item	Sub Tasks	Description
	2.5 Standards, Plans, and Governance	<p>Through Change Control Governance overseeing the multiple environments (Development through to Production), the HHS 2020 project follows a formal System Development Life Cycle (SDLC).Details of this governance can be found in the PMO10 Change Control Management Plan, PMO11 Configuration Management Plan, PMO14 Test Management Plan PMO20 Release Strategy Plan and PMO37 Configuration and Continuous Integration Services Plan.</p> <p>The Contractor shall provide regular representation within the Data Management Work (DMW) Group.</p> <p>The Contractor shall participate in the Change Control Board (CCB) to coordinate impacts of changes, including changes to any reference data.</p> <p>The Contractor’s solution shall meet the SLAs for response speeds as defined in the Exhibit C Addendum.</p> <p>The Contractor’s solution shall meet the standards for Business Process Outsourcing (BPO) modules as specified in the New Mexico HHS 2020 MITA Technical Management Strategy Plan.</p>
	2.6 SMEs	<p>The Contractor shall provide SMEs for Data Exchange and Reporting with at least three (3) years of experience with the Commercial-off-the-Shelf (COTS) product(s) used in the solution provided and one or more of the following:</p> <ul style="list-style-type: none"> • SOA certification • Oracle Fusion Middleware certification • Experience in at least two implementations within enterprise architectures similar to the Procuring Agency’s.
	2.7 Approach and Infrastructure	<p>The Contractor shall be limited to using configurations of COTS solutions and shall avoid the usage of custom software. All use of custom developed software must be approved by the Procuring Agency.</p> <p>The Contractor’s solution shall ensure that business rules defined within the solution shall remain separate from any core programming of the tools used.</p> <p>The Contractor shall develop a Disaster Recovery/Business Continuity Plan (DR/BCP) in collaboration with the SI and the Procuring Agency to meet CMS standards. The solution should allow for geographically diverse backup systems with “hot” replicated data capability. The Contractor shall participate in tests of their portion of the plan at least once annually, with notification and damage requirements as specified in Exhibit C – Performance Measures.</p>

Task Item	Sub Tasks	Description
		<p>In addition to data redundancy capabilities defined for in the DR/BCP, the Contractor's solution should maintain access control on data to prevent accidental or intentional deletion or damage of the data.</p> <p>The Contractor's solution shall maintain geographically distributed databases/datacenters, for delivery of data rapidly and robustly through all communication methods.</p> <p>The Contractor's solution shall maintain availability twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days a year for 99.95% of the time except for agreed upon maintenance windows The Contractor shall comply with the FS SLAs in Appendix K – HHS 2020 Performance Measures or be subject to the penalties outlined therein.</p> <p>The Contractor shall monitor the performance speeds below as measured at the BPO hub and is defined as the speed after the receipt of a request by the solution until a response notification is sent. The Contractor shall show the response speed data via logs and other relevant data and certify to their correctness.</p> <p>The Contractor's solution shall perform a service enabled synchronous request of a single entity in less than 0.25 second, 95% of the time.</p> <p>The Contractor's solution shall perform a service enabled synchronous request resulting in large amounts of data or large searchable lists at the rate of 10,000 rows/second.</p> <p>The Contractor's solution shall perform an acknowledgement of a service enabled asynchronous request within 0.1 second, 95% of the time.</p>
	2.8 Approach and Infrastructure	<p>The Contractor's solution shall deliver a scalable approach that allows the services to handle the anticipated data and resource volumes.</p> <p>The Contractor shall work with SI and the Procuring Agency on details of defining the Virtual Private Network (VPN) connections needed and to identify bandwidths needed.</p> <p>The Contractor's solution shall provide a separate environment which mirrors the production environment as much as possible and allows "what if" testing of proposed business rules, reference data and other configurations. The Contractor shall coordinate with SI to integrate the environment with the proper IP environment, if any.</p>
	2.9 Auditing	<p>The Contractor shall coordinate with the SI and the audit framework within the IP in order to provide service enabled audit trails in support of</p>

Task Item	Sub Tasks	Description
		<p>various regulations including the HIPAA §164.308(a)(1)(ii)(D): Security Management Process.</p> <p>The Contractor shall coordinate with the SI on how its solution shall structure audit trail records, the fields, and the formats it will audit and how it controls access to audit information and services.</p> <p>The Contractor’s solution shall maintain an audit trail of all actions by all Users and all systems, including view only actions, of the FS components. The audit trail shall include a record of what was returned.</p> <p>The Contractor’s solution shall retain sufficient data (e.g., audit records, claims, encounters, payments) per Procuring Agency requirements.</p>
	2.10 Analytics	<p>The Contractor’s solution shall allow definition and management of qualitative analytic capabilities for the underlying services.</p> <p>Within the reports available via the mechanisms outlined in the Service Enablement and Integration section above, the solution shall provide performance and operational metrics reports as defined in coordination with the SI and the Procuring Agency.</p> <p>The Contractor shall coordinate with the SI to identify further reports and service enabled data that includes information on transactions and performance and other metrics as necessary to aid in improving business operations, transparency, and accountability.</p>
	2.11 Review and Acceptance	<p>The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.</p>
2.2 Configure, Test and Implement Solution		
	2.2.1 Requirements /Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) “To-Be” journeys applicable to the Establish Physical and Technical Infrastructure solution; analyze how the SOW requirements and base solution capabilities support the “To-Be” vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall perform the requirements/design activities as covered in the Project Management deliverable.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p>
	2.2.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan Deliverables Expectation Document (DED) and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during the Test Design phase.</p> <p>As part of Test Data Preparation, contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>
	2.2.3 Test Execution	<p>The Contractor is expected to perform Quality Assurance Testing (QAT), System Integration Testing (SIT) and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues.</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs as directed by the Procuring Agency.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and as part of any large change to the system that may impact performance.</p>
	2.2.4 User Acceptance Test (UAT)	<p>The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable). UAT shall be performed by Procuring Agency staff.</p>
	2.2.5 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>
2.3 Training		
	2.3.1 Training Material	<p>The Contractor shall develop appropriate Physical and Technical Infrastructure training documentation, in accordance with CMS Expedited Performance Life Cycle (EPLC) requirements.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the FS configuration and contents.</p>
	2.3.2 Business User Manual	<p>The Contractor shall provide and make available online a Physical and Technical Infrastructure User Manual to guide Stakeholder staff with the use of all FS components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the FS tools and provides guidance to end users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p>
	2.3.3 Knowledge Transfer	<p>The Contractor shall provide Physical and Technical Infrastructure solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
2.4 Manage Agreed Payment Schedule		
	2.4.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 2 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$976,039.49 upon Procuring Agency approval of 2.2.1 Requirements/Design / 2.2.2 Test Planning including NMGRT less \$195,207.90 retainage • \$976,039.49 upon Procuring Agency approval of 2.2.3 Test Execution including NMGRT less \$195,207.90 retainage • \$1,464,059.24 upon Procuring Agency approval of 2.2.4 User Acceptance Testing (UAT) including NMGRT less \$292,811.85 retainage • \$976,039.49 upon Procuring Agency approval of 2.2.5 Production Release including NMGRT less \$195,207.90 retainage • \$488,019.74 upon Procuring Agency approval of 2.3 Training including NMGRT less \$97,603.94 retainage • Total price to client includes \$85,624.46 monthly for hosting fees.

Deliverable 3: Configure, Test and Implement Financial Processing Solution

<u>Deliverable Three</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">Configure, Test and Implement Financial Processing Solution</p>	<p align="center">No Later Than 07-01-2024</p>	<p>Total Compensation not to exceed \$11,679,105.01 including NMGRT less \$2,335,821.00 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$2,919,776.25 upon Procuring Agency approval of 3.2.1 Requirements/Design including NMGRT less \$583,955.25 retainage • Approximately \$2,335,821.01 upon Procuring Agency approval of 3.2.3 Test Execution including NMGRT less \$467,164.20 retainage • Approximately \$2,919,776.25 upon Procuring Agency approval of 3.2.4 User Acceptance Testing (UAT) including NMGRT less \$583,955.25 retainage • Approximately \$1,751,865.75 upon Procuring Agency approval of 3.3 Training including NMGRT less \$350,373.15 retainage • Approximately 1,751,865.75 upon Procuring Agency approval of 3.4.1 Review and Acceptance including NMGRT less \$350,373.15 retainage

Task Item	Sub Tasks	Description
3.1 Meet Minimum Financial Processing Solution Requirements		
	3.1.1 Document Processing	<p>The Contractor’s solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>For documents that require printing and distribution, the Contractor’s solution shall generate print files and transmit them electronically via the SI to the Procuring Agency’s selected print/mail vendor.</p>
	3.1.2 Payment Processing	<p>The Contractor’s solution shall process multiple programs within the system. All transactions must be assigned appropriate date driven financial coding and such coding maintained so that:</p> <ul style="list-style-type: none"> • Updates are done as defined by the Procuring Agency (e.g., fiscal year), coding spans are maintained, and processes to update coding are User-friendly;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Service payments can be linked to the correct funding source and report line definition; • Funding codes are aligned with the Enterprise accounting systems funding code sets and chart of accounts, including applying cost center codes, SHARE project codes, and CMS-64 reporting codes at the transaction level; • Payment data is cross walked and validated using Enterprise defined business rules (e.g., Category of Service [COS] matching, NM State Government chart of accounts, program code, reason code, account code assignment, budget category, Federal COS defined in CMS Financial Reports); • Federal Matching Assistance Program (FMAP) and Federal Financial Participation (FFP) rates are used to calculate, apply, record, and maintain, for each transaction, as appropriate to include the Federal Categories of Service; • The categories of eligibility and categories of service that are used are approved by the Procuring Agency and facilitate accurate CMS-64 reporting; • Payment funds and fund types are captured; • Program funding sources, financial and enrollment caps are identified and notification occurs based upon Procuring Agency configurable rules as thresholds are approached; • State and Federal Budget categories are accessed, identified, and tracked at the detail level; • Public and private providers are identified and distinguished for reporting purposes; and • Children’s Medical Services, non-Medicaid services, Home and Community Based Services (HCBS) Waivers, School-based services, incarceration facilities and other Procuring Agency designated programs identified separately from other transactions. <p>The Contractor’s solution shall allocate costs for non-Medicaid transactions.</p> <p>The Contractor’s solution shall allow authorized users or systems to apply multiple payment types or other financial transaction dispositions and reasons manually or automatically using configurable business rules including but not limited to:</p> <ul style="list-style-type: none"> • Requires or does not contribute to 1099/W2 calculations or adjustments; • Holds, voids, adjustments; • Timing, date spans, recurring;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Other types as necessary to process or report financial transactions; • Disposition to the correct Accounts Receivable (AR) records of manually or electronically received payments based on user-defined parameters; • Recovery payment adjustments received from third parties that do not affect the provider’s 1099/W2; • AR detail with drill-down and links to related accounts, receipts, and claims or other supporting documentation; and • Mass AR transactions declaring accounts uncollectable, both individually and in mass, with the proper authority based on a user defined AR threshold. <p>The Contractor’s solution shall coordinate benefits to adjust co-payment amounts for services that are reimbursed (e.g., carriers, Medicaid, Medicare) as mandated by State and Federal requirements.</p> <p>The Contractor’s solution shall flag accumulators and related dollar amounts (e.g., co-pays, Out of Pocket [OOP], procedure/service limits).</p> <p>The Contractor’s solution shall recalculate balances when an adjustment (e.g., Per Member Per Month [PMPM] reconciliation errors [e.g., retroactive member enrollment, disenrollment, termination], claim, invoice) is completed.</p> <p>The Contractor’s solution shall monitor, identify, record, maintain and release a claim or payment issuance limit, delay or hold, according to Enterprise configurable business rules including, but not limited to:</p> <ul style="list-style-type: none"> • A specified future release date is reached; • Vendor, member, or provider type; • Billing or rendering status; • To satisfy an outstanding debt to the Enterprise or legal third party (e.g., Medicare, IRS, State taxation authorities); • Minimum payment amount limits and time period since last payment; • As directed by an authorized Enterprise user; • Other user-configurable parameters (e.g., timeframe); and • Offset. <p>The Contractor’s solution shall maintain a payment hold on payees by reason (e.g., determined to be out of cost report compliance, change of ownership, voluntary closure, are subject to liens and court orders, are out of compliance with Enterprise program policies and procedures).</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall notify the Procuring Agency of any backup withholding dollars for transmission by the Procuring Agency to the IRS.</p> <p>The Contractor's solution shall process payment exceptions and special cases (e.g., User-definable financial thresholds for contracts and budgets, application of Medicaid Upper Payment Limits to payments, suppression of payment generation for Enterprise-controlled facilities and school-based Providers while identifying expenditures for budget reconciliation, "wrapping" or supplementing monthly clinic payments made to Medicaid clinic Providers such as Rural Health Clinic [RHC] and Federally Qualified Health Centers [FQHC], suppress printing or transmitting zero balance payments while producing a remittance advice) as directed by the Procuring Agency.</p> <p>The Contractor's solution shall create and send an Automated Clearing House (ACH) file to the State's bank in order to support Electronic Funds Transfer (EFT) and a payment file to the Procuring Agency for printing of paper warrants (checks) for those entities that are not set up for EFT.</p> <p>The Contractor's solution shall issue payments based upon provider ownership information and assure that payments, including appropriate tax information for the provider that billed the service, are made to the appropriate provider location.</p> <p>The Contractor's solution shall support dynamic financial cycle controls based on Enterprise configurable business rules or by authorized User intervention to include, but not limited to:</p> <ul style="list-style-type: none"> • Immediate processing of financial activities; • Prioritization of transactions by submitter and transaction type; • Delaying, suspending, or changing processing order of transactions; • Changing take back schedules; • Adjusting the timing of any weekly payment cycle or disposition as directed by the Procuring Agency; • Generate expedited payments outside of the normal payment cycle as needed; and • Configuring the date and other specific values for accounting segments. <p>The Contractor's solution shall identify, track, maintain, verify, adjust, test and report W2 and 1099 information for Providers,</p>

Task Item	Sub Tasks	Description
		<p>vendors, and other payees as applicable to maintain compliance with appropriate W2 and 1099 regulations.</p> <p>The Contractor's solution shall withhold the Federal share for payments that are made with Procuring Agency approval, but which exceed CMS timeliness requirements.</p> <p>The Contractor's solution shall receive warrant data for tracking and processing (e.g., cashed, voided, uncashed, stale-dated, cancelled, process replacements for lost or stolen warrants) warrants or payments and update records.</p> <p>The Contractor's solution shall comply with the requirements of Phase 2 of the HIPAA Operating Rules for Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) [EFT/ERA] transactions.</p> <p>The Contractor's solution shall provide the data for the 1099 and corrected 1099 data files.</p> <p>The Contractor's solution shall provide the detailed data for payment generation (e.g., Capitation, RAs, Invoices, Check Stub) in Procuring Agency-approved electronic formats.</p> <p>The Contractor's solution shall capture, track, and provide detailed data on all specialty payments (e.g., gross adjustments, custody medical, waiver programs).</p> <p>The Contractor's solution shall update claims and provider files with information about returned, stopped payment, or cancelled checks forwarded from the Department of Finance and Administration (DFA).</p>
	<p>3.1.3 Remittance Advices and REOMBs</p>	<p>The Contractor's solution shall provide the data to deliver and maintain Remittance Advices (RAs) per State and Federal defined requirements and generate RAs that reflect detailed claim information (e.g., EOB codes, co-pay detail, patient liability, client contribution, paid in full, type of gross adjustment, cost sharing initiative information, header level, line level detail) for all claim status types.</p> <p>The Contractor's solution shall provide the data to generate, transmit or deliver (paper or electronic), maintain and report remittance advices (in a HIPAA approved X12 835 format) including Federally required reason codes to explain claims adjudication and adjustment results even when payment amount is zero (0).</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall generate the ANSI ASC X12 Premium Payment Order/Remittance Advice 820 format for Managed Care Organizations.</p> <p>The Contractor's solution shall provide TPL data to providers on the remittance advice.</p> <p>The Contractor's solution shall provide an explanation of financial transactions on the remittance advice, including recoupments and payouts.</p> <p>The Contractor's solution shall provide data to accommodate the generation and distribution of Recipient Explanation of Medicaid Benefits (REOMBs), as defined by the Procuring Agency.</p> <p>The Contractor's solution shall provide the ability to add, modify, and maintain messages, message codes and configurable message business rules (e.g., EOB, REOMB, RA) in real time.</p> <p>The Contractor's solution shall include messages (e.g., EOB, RA, REOMB) with the claims record.</p> <p>The Contractor's solution shall include and provide non-claim financial information (e.g., case management fees, payouts, recoupments) and related summary information (e.g., gross totals, net totals, time-period to date totals) for RAs and REOMBs.</p> <p>The Contractor's solution shall suppress or allow production of RAs and REOMBs or specific data based on member and service characteristics (e.g., history-only adjustments) as defined by the Procuring Agency.</p> <p>The Contractor's solution shall provide the data to allow for the distribution of payments to a specified location and generation of multiple paper or electronic RAs and REOMBs for distribution to same and/or other locations.</p> <p>The Contractor's solution shall prepare remittance advice data from claims following HIPAA compliant and Enterprise standards.</p> <p>The Contractor's solution shall provide data for a supplemental RA, for providers subject to withholdings, that details their deductions.</p>
	3.1.4 Financial Transactions	<p>The Contractor's solution shall identify, using unique Enterprise identifier (ID) (claims ID, case number, SSN, Transaction Identification Number (TIN), other approved IDs); initiate; record; and maintain all recoupment and collection activities (e.g., lump sum, case, participant level), allowing for the collection of individual receivables to be suspended but still reported.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall record and maintain the recoupment recovery method (e.g., dollar amount, percentage).</p> <p>The Contractor's solution shall replace paper Accounting Transaction Requests (ATRs) with an online process that includes routing, approvals, alert functionality, and online editing to ensure completion of required fields.</p> <p>The Contractor's solution shall maintain an online AR that can update, process, and report financial data by transaction types including at a minimum:</p> <ul style="list-style-type: none"> • Account details as applicable (e.g., Member ID, drug rebate manufacturer code, Provider ID, vendor ID, insurance company [carrier] ID, account balance, payment netting or withholding methodologies, reason indicators, type of collection, authorizing entity or party, claim ID); • Account details as applicable (e.g., Member ID, drug rebate manufacturer code, Provider ID, vendor ID, insurance company [carrier] ID, account balance, payment netting or withholding methodologies, reason indicators, type of collection, authorizing entity or party, claim ID); • Due date for recoupment; • Program and authorizing agency to be charged; • Entities (e.g., individual, provider, organization, corporation) responsible for an AR account; • Detailed comments; and • Other Enterprise program data. <p>The Contractor's solution shall provide access to Accounts Payable (AP)/Accounts Receivable (AR) detail with links to related information (e.g., accounts, receipts, invoices, claims).</p> <p>The Contractor's solution shall identify, generate, process, and disburse refunds on a schedule specified by the Procuring Agency or configurable business rules.</p> <p>The Contractor's solution shall automatically assign or accept unique control numbers and identifying criteria (e.g., batch number) to monitor, track and maintain control over financial transactions (e.g., claims, invoices, PMPM capitation, non-claim, incentive payments) as defined by the Procuring Agency.</p> <p>The Contractor's solution shall provide a preview of the impact of a 'proposed' transaction(s)/modification(s) for acceptance or re-do.</p> <p>The Contractor's solution shall produce claim data (e.g., summary, and individual provider payments) with provider-specific information</p>

Task Item	Sub Tasks	Description
		to support AP and AR processes and that balances the claim payment detail amounts to the total payment request amount.
	3.1.5 Billing and Collections	<p>The Contractor's solution shall automate the Part D "Claw Back" process and Medicare accounts payable process.</p> <p>The Contractor's solution shall identify, define, generate, process, calculate, apply, and maintain history on garnishments and liens using configurable business rules including but not limited to:</p> <ul style="list-style-type: none"> • Define third party garnishment criteria as specified by the Procuring Agency; • Produce claim and provider specific information for generating warrants to third parties with garnishments on a payee's payment(s); • Process garnishments and liens within three (3) business days of receipt or in accordance with court documents, whichever is earlier; and • Apply automated or user defined payment calculation rules. <p>The Contractor's solution shall track, identify, maintain, and manage recovery cases, AR/AP and overpayment recoupments using configurable business rules.</p> <p>The Contractor's solution shall provide multiple receivable categories (e.g., TPL, audit, overpayments, fraud, escrow, cost report reconciliation balance, supplemental payment reconciliation balance) to be identified, collected, and reported by category.</p> <p>The Contractor's solution shall support multiple types of payment receipts (e.g., check, cash, money order, electronic check, ACH, debit card, automatic draft withdrawal from designated bank accounts, via telephone, mail, web portal) and provides administrative expense accounts for costs associated with alternate payment types based on configurable business rules.</p> <p>The Contractor's solution shall provide a configurable process allowing authorized users to modify collection calculations and be flexible to allow new State and Federal rules.</p> <p>The Contractor's solution shall apply money received for claim specific and non-claim specific AR balances based upon Procuring Agency configurable rules (e.g., to a Provider's outstanding, non-claims specific ARs first, regardless of the age of the ARs).</p> <p>The Contractor's solution shall automate post payment recovery processes based on Federal and Procuring Agency defined criteria.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall recognize, and track collections and disbursements obtained from private collection agencies.</p> <p>The Contractor's solution shall perform mass recoupments based on user-defined selection criteria with automated Provider notification.</p> <p>The Contractor's solution shall identify, configure, calculate, assess, pay, record, maintain, adjust, void, and otherwise manage fees (e.g., interest, penalties, surcharges, pass on costs) based on Procuring Agency- and user-configurable rules to allow for, but not limited to the following:</p> <ul style="list-style-type: none"> • Assess or pay unique fee rates or values at configurable timing and reoccurrence on various account types and transactions at the detail level (e.g., AR, AP, obligations); • Claim submission penalties (e.g., paper, electronic, exceeding volume caps, clean claim); • Pass on fees for services (e.g., court costs, process server, collection fees, genetic testing); and • Assessments, payments, adjustments, reversals, holds and the ability to refrain from fee assessments or payments based on trigger events (e.g., adjusting a claim originally paid to include interest, claims submission penalties, AP paid in full) or authorized User intervention. <p>The Contractor's solution shall calculate interest and other money owed separately by account and applies receivables to various accounts with the flexibility to waive interest as directed by the Procuring Agency.</p> <p>The Contractor's solution shall provide a mechanism for searching, sorting, and categorizing collections.</p> <p>The Contractor's solution shall integrate with the IP Notification Engine to generate (automatic and manual) initial and follow-up notices/bills/invoices for accounts receivable. The criteria for generation and the format of the document (paper, email, or web posting) shall be User-defined.</p> <p>The Contractor's solution shall generate, adjust, and maintain AR invoices using configurable business rules to include, but not limited to:</p> <ul style="list-style-type: none"> • Generating updated invoices when the underlying AR or sub-account is updated or changed; • Maintaining historical records of invoice lines and disposition (disputed, accepted, paid, rejected); and

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Querying of any AR invoice or invoice line item including linkages back to any claims usage detail. <p>The Contractor's solution shall generate, record, deliver (electronic and/or paper format), and maintain billing statements based on a configurable timeframe while recognizing that billing statements must contain payment identifier(s) that are compliant with payment processing requirements (e.g., Lockbox).</p> <p>The Contractor's solution shall provide configurable (automatic and manual) billing statement processing (e.g., Employers, Third Party) that allows for billing statements suppression (paper or electronic).</p> <p>The Contractor's solution shall generate Electronic Billing in the X12 5010 837 format as needed.</p> <p>The Contractor's solution shall process electronic payments (e.g., from providers, third parties, members) securely (e.g., National Automated Clearing House Association [NACHA] rules for electronic data interchange [EDI]) and monitor from receipt to accounting/application of each payment.</p> <p>The Contractor's solution shall generate alerts/notifications for authorized users, based upon Procuring Agency defined rules (e.g., automatic recoupment does not occur, provider no longer active, recoupment exceeds threshold, recoupment does not meet criteria) when automated functions cannot process a transaction.</p>
	3.1.6 Accounting Detail and Interfaces	<p>The Contractor's solution shall integrate with other Enterprise agencies and entities to establish business rules and reusable services for automating the cost settlement process, assisting the Procuring Agency to establish and maintain cost settlement procedures, establish a basis for cost settlement or compliance reviews, calculate the final annual cost settlement and validate cost settlement data.</p> <p>The Contractor's solution shall accommodate collating financial information across multiple agencies and multiple systems (e.g., Statewide Human Resources, Accounting, and Management Reporting System of NM [SHARE], Benefit Management Services[BMS], Quality Assurance[QA]) to facilitate two-way sharing of financial data including, but not limited to:</p> <ul style="list-style-type: none"> • Capture all financial transactions as defined by the Procuring Agency; • Integrating, reconciling, and tracking account code balances, payables and receivables, warrants, EFTs, Federal and State financial reports and other financial transactions between

Task Item	Sub Tasks	Description
		<p>financial systems and identifying and correcting balancing issues;</p> <ul style="list-style-type: none"> • Providing the Enterprise with complete Federal and State financial reporting data when some data resides in other systems (e.g., CMS-64 data resides in both SHARE and FS); • Linking and tracking FS transaction detail (e.g., claims, invoices, adjustments) to items generated in or for other systems (e.g., SHARE will print and manage information about all warrants, FS will send a file of warrants to be recorded, printed, and distributed); • Processing appropriate transactions (e.g., payments, adjustments, administrative adjustments, distributions, recoveries, stale-dated warrants, or payments) from other Enterprise systems; • Providing financial data (e.g., claims, accounts receivable, payments, dispositions, distributions, recoveries) to other Enterprise systems for their internal use and with their required data fields and format; and • Update claims and provider files with information about returned, stopped payment, or cancelled checks forwarded from DFA. <p>The Contractor’s solution shall integrate and collaborate with the Enterprise to provide and receive data capture forms to support any business process or function (e.g., accounting transaction request forms, HIPAA transaction sets).</p> <p>The Contractor’s solution shall provide fund transfers including but not limited to:</p> <ul style="list-style-type: none"> • Estimate aggregate payment cycle amounts on various schedules mandated by the Procuring Agency; and • Collected fund deposits and expenditure refunds. <p>The Contractor’s solution shall have the ability to display, search and filter unidentified payments in suspense, and record and maintain research history.</p> <p>The Contractor’s solution shall provide the data for reconciling claims payment information or capitation with the Procuring Agency accounting system.</p> <p>The Contractor’s solution shall provide all financial data to the Enterprise.</p> <p>The Contractor’s solution shall capture and use Enterprise programs and services funding streams match rate data (e.g., Federal, State, other).</p>

Task Item	Sub Tasks	Description
		<p>The Contractor’s solution shall generate, deliver, and maintain data or reports to allow authorized users to review timed (e.g., monthly, quarterly, annually) funding stream (e.g., grants, entitlements, funding participation) requests.</p> <p>The Contractor’s solution shall receive budget data used across Enterprise systems.</p> <p>The Contractor’s solution shall capture Provider cost settlement data.</p> <p>The Contractor’s solution shall link and track financial transaction details (e.g., claims, invoices, adjustments) to items generated in or for other systems (e.g., SHARE will print and manage information about all warrants, the Contractor’s solution shall send a file of warrants to be recorded, printed, and distributed).</p> <p>The Contractor’s solution shall track grant authorizations and Federal draws using State and Federal Budget categories.</p>
3.2 Configure, Test and Implement Solution		
	3.2.1 Requirements/Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) “To-Be” journeys applicable to the Financial Processing solution; analyze how the SOW requirements and base solution capabilities support the “To-Be” vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p>
	3.2.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>As part of Test Data Preparation, contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>

Task Item	Sub Tasks	Description
	3.2.3 Test Execution	<p>The Contractor is expected to perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues.</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p>
	3.2.4 UAT	<p>The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable). UAT shall be performed by Procuring Agency staff.</p>
	3.2.5 System Documentation	<p>The Contractor shall develop and provide Financial Processing solution documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to provide and maintain all service delivery documentation related to the design of each module/ component and its interaction with other modules/components.</p> <p>The Contractor shall develop and provide documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall develop and provide documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports and dashboards generated by the Financial Processing solution, providing the Procuring Agency with SQL, pseudo code, narrative description, or some combination thereof to document completely the algorithms and formulas used in all reported/displayed fields and computed variables, analytic protocols, and assumptions.</p>

Task Item	Sub Tasks	Description
	3.2.6 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by the Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>
3.3 Training		
	3.3.1 Training Material	<p>The Contractor shall develop appropriate Financial Processing training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the FS configuration and contents.</p>
	3.3.2 Business User Manual	<p>The Contractor shall provide and make available online a Financial Processing Business User Manual to guide Stakeholder staff with the use of all FS components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the FS tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p>
	3.3.3 Knowledge Transfer	<p>The Contractor shall provide Financial Processing solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
3.4 Review and Acceptance		

Task Item	Sub Tasks	Description
	3.4.1 Review and Acceptance	The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.
3.5 Manage Agreed Payment Schedule		
	3.5.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 3 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$2,919,776.25 upon Procuring Agency approval of 3.2.1 Requirements/Design including NMGR less \$583,955.25 retainage • \$2,335,821.01 upon Procuring Agency approval of 3.2.3 Test Execution including NMGR less \$467,164.20 retainage • \$2,919,776.25 upon Procuring Agency approval of 3.2.4 User Acceptance Testing (UAT) including NMGR less \$583,955.25 retainage • \$1,751,865.75 upon Procuring Agency approval of 3.3 Training including NMGR less \$350,373.15 retainage • \$1,751,865.75 upon Procuring Agency approval of 3.4.1 Review and Acceptance including NMGR less \$350,373.15 retainage

Deliverable 4: Configure, Test and Implement Claim Processing Solution

<u>Deliverable Four</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">Configure, Test and Implement Claim Processing Solution</p>	<p align="center">No Later Than 07-01-2024</p>	<p>Total Compensation not to exceed \$27,944,759.83 including NMGRT less \$5,588,951.97 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$6,986,189.96 upon Procuring Agency approval of 4.4.1 Requirements/Design including NMGRT less \$1,397,237.99 retainage • Approximately \$9,780,665.94 upon Procuring Agency approval of 4.4.3 Test Execution including NMGRT less \$1,956,133.19 retainage • Approximately \$8,383,427.95 upon Procuring Agency approval of 4.4.4 User Acceptance Testing (UAT) including NMGRT less \$1,676,685.59 retainage • Approximately \$1,397,237.99 upon Procuring Agency approval of 4.2 Training including NMGRT less \$279,447.60 retainage • Approximately \$1,397,237.99 upon Procuring Agency approval of 4.3 Review and Acceptance including NMGRT less \$279,447.60 retainage

Task Item	Sub Tasks	Description
<p>4.1 Transfer, Modify and Implement Claim Processing Solution to Meet Minimum Claims Processing Solution Requirements</p>		
	<p>4.1.1 Workflow (applies throughout the claims solution)</p>	<p>The Contractor’s solution shall provide a configurable system with date driven Workflow, Alert, Notification functions including at minimum:</p> <ul style="list-style-type: none"> • Configure initial and ongoing Workflow, Alert, Notification rules within agreed upon time of Procuring Agency approval; • Workflow, alert, notification for manual processing when system cannot perform automatic processes (e.g., automatic recoupment doesn’t occur, Provider no longer active, recoupment exceeds threshold, recoupment doesn’t meet criteria, claim suspends, adjustment requested);

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Workflow alert, notification if changes occur affecting claim processing, pricing and/or account code assignment; • Workflow must provide sorting of tasks; • Workflow must provide ability to route task to another reviewer; • Integrate with other components of the solution (e.g., CCM, EDM, Modules) • Provide recommendations to the Procuring Agency for workflow improvement and/or rules; <ul style="list-style-type: none"> • When program or policies are added/revised; • When Enterprise Partners are added/revised; • When Modules are added/revised; • When unplanned manual processing occurs; and • All other capabilities as available through workflow, alert, notification.
	<p>4.1.2 Reporting (applies throughout the claims solution)</p>	<p>The Contractor's solution shall provide a configurable system with Reporting functions including at minimum:</p> <ul style="list-style-type: none"> • Produce, tabulate, and make available, per Procuring Agency defined criteria, balancing and control reports (e.g., reports that reconcile all claims entered to the processing cycles, claims that were rejected due to processing errors, input, and output counts, claims inventory reports [e.g., processed, suspended, paid, denied]) after each claims processing cycle. Retain claim, pricing, account code assignment data for reporting purposes; • Make all Procuring Agency defined data available to the Enterprise; • Update report rules as data is revised; • Produce standard reports; and • All other reporting capabilities as available through standard reporting. <p>The Contractor shall produce and maintain all Claims reports and dashboards, including out of the box reports, as directed by the Procuring Agency.</p> <p>The Contractor shall make recommendations for revisions to rules at minimum:</p> <ul style="list-style-type: none"> • When data changes; • When program or policies are added/revised; • When Enterprise Partners are added/revised; • When Modules are added/revised; and • When unplanned manual processing occurs.

Task Item	Sub Tasks	Description
	4.1.3 Account Code Processing	<p>The Contractor's solution shall provide a configurable system with date driven account code assignment, workflow, and reporting rules within agreed upon time of Procuring Agency providing rules.</p> <p>Minimum Tasks, include but are not limited to:</p> <ul style="list-style-type: none"> • Initial configuration of date driven account code rules; • Ongoing Add/update account code assignment as Procuring Agency rules change; and • All other capabilities as available through configuration. <p>Rules include but are not limited to:</p> <ul style="list-style-type: none"> • Automatic assignment at line level; • Assignment at each claim line with State funds, Federal funds, or a combination of both; • Automatic assignment update when claim line changes; • Assignment maps to reports; and • Manual intervention of rule assigned account codes (e.g., exception, no existing rule, change in process).
	4.1.4 Claim Adjustment Processing	<p>The Contractor's solution shall provide a configurable system with date driven, Procuring Agency defined detailed business rules for Automatic and Manual Adjustments (e.g., General Adjustments, History Only Adjustments (HOA), Mass Adjustments, Recovery Adjustments) within agreed upon time of State providing rules.</p> <p>Configurable Adjustment Rules, such as:</p> <ul style="list-style-type: none"> • Comply with existing and revised changes to Procuring Agency and/or program policy; • Use industry standards; • Use State defined criteria driven identification of claims and application of the adjustments; • Process per Procuring Agency defined rules for Accounts Receivable generation and collections (e.g., fully voided claims collect from provider, partially voided/adjusted claims collect from provider, voided/adjusted claims that are not collected from provider); • Validation of claims included prior to completion of adjustment; • Prevent the rebilling of claims adjusted or recouped by a third-party Contractor or paid by another program or entity; • Provides for zero (0) payment claim lines;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Process and identify the types of adjustment performed (e.g., Gross, Mass, Recovery, Settlement, HOA) • Include adjustments in Remittance Advice as appropriate; • Perform full or partial claim adjustments (e.g., all lines, specific lines); • Ensure that a provider's adjusted payment does not exceed their billed amount when the lesser of the provider's billed amount or the Medicaid fee schedule rule applies; • Include Procuring Agency defined reason codes that are clearly defined so they are easily understood by all reviewing the adjustment; • Prevent removing a claim line during adjustment; • Create Accounts Payable or Accounts Receivable as appropriate; • Maintain and display Audit Trail of adjustments (e.g., who, when, why, notes, attachments, predefined reason codes); • Manual intervention of adjustment (e.g., exception, no existing rule, change in process); • Prevent claims identified for subrogation from being adjusted by providers; and • Process multiple adjustment requests in the order that they are received. <p>All other capabilities as available through configuration.</p> <p>When retroactive rate changes are made:</p> <ul style="list-style-type: none"> • Worker reviews the identified affected claims and based upon rules, approves, or rejects the adjustment to pay at the corrected rate; • Worker reviews adjusted claims to ensure that they process appropriately (setting up appropriate accounts payable and/or receivable transactions for accounting); • When Providers are inactive, the Worker will work with the Procuring Agency to determine how any applicable money will be recovered or paid; • Worker consults with Procuring Agency for affected claims beyond Procuring Agency defined timelines since at the Procuring Agency's discretion, no adjustments may be made.
	4.1.5 Automatic Adjustments	The Contractor's solution shall in addition to providing for all tasks in Adjustment processing shall configure automatic adjustment rules within agreed upon time of the State providing rules such as:

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Retroactive identification member eligibility; • Retroactive identification provider eligibility; • Retroactive ingestion of incoming inpatient/residential claim when a related non-inpatient claim was previously paid; • Retroactive identification rate table change; • Retroactive identification fee schedule change; • Retroactive identification policy changes; • Retroactive identification account code changes; • Retroactive identification of duplicate payment; • Retroactive identification of upper and lower limit payments; and • Retroactive identification of bundled/unbundled, global charges.
	4.1.6 History Only Adjustments (HOA)	<p>The Contractor's solution, in addition to providing for all tasks in Adjustment processing, shall configure HOA Rules, such as:</p> <ul style="list-style-type: none"> • Suppressing Remittance Advice; and • Trigger workflow notification/alert of change to financial data.
	4.1.7 Mass Adjustments	<p>The Contractor's solution shall in addition to providing for all tasks in Adjustment processing shall configure Mass Adjustment Rules.</p> <p>Mass Adjustment Rules, such as:</p> <ul style="list-style-type: none"> • Identify potential mass adjustments for manual approval; • When an adjustment is initiated, require comments, that flow through to all adjusted claims; • Ability to manually include or exclude paid and denied claims, capitation payments, and zero pays; • Identifying potential mass adjustments using multiple criteria/parameters (e.g., date spans, Provider types, specialties, FMAP changes, rate change, annual adjustments, court settlements, location, procedure, account codes, Member eligibility, denial codes, Provider ID, categories of service, program, shift from FMAP to ten [10]% funding for referrals; and • Automatically suspend for approval, route and notify/alert worker to review mass adjustment. The Contractor will provide details across the mass adjustment spectrum.
	4.1.8 Recovery Adjustments	<p>The Contractor's solution, in addition to providing for all tasks in Adjustment processing, shall configure Recovery Adjustment Rules.</p>

Task Item	Sub Tasks	Description
		<p>Recovery Adjustment Rules, such as:</p> <ul style="list-style-type: none"> • Automatically trigger recoveries based upon Procuring Agency defined criteria; • Reflect recovered amounts on claims; • Track the total amount of recovery with any contingency fee for that adjustment allocated as an administrative fee; • Track the type of recovery; • Use a configurable formula that applies a portion of the total recovery amount for a group of claims to each individual claim within that specified group; and • Apply gross adjustment amounts at the detailed line or header level of a claim.
	<p>4.1.9 Document Ingestion</p>	<p>The Contractor's solution shall provide a configurable system with flexible document ingestion sources and formats, from the SI, including but not limited to:</p> <p>Sources:</p> <ul style="list-style-type: none"> • Portal (web portal [provider, clearinghouse], Secure File Transfer Protocol (SFTP) web portal); • Web-based individual and batch electronic claim submissions (e.g., direct SFTP); • Paper; and • Other Electronic media. <p>Formats:</p> <ul style="list-style-type: none"> • Health Insurance Portability and Accountability Act (HIPAA) standard formats; • American Dental Association (ADA) Dental; • Health Care Finance Administration (HCFA)/CMS 1500; • Uniform Billing (UB)04; • Claim Adjustment requests; • Attachments (e.g., chart notes, surgical reports, adjustment request, backup documentation); • Convert electronic visit verification (EVV) and non-claim specific invoices or vouchers to a standard format (e.g., 837); • Timesheet submissions; • Payment requests; and • Mileage reimbursements. <p>Provide accurate claim submission tracking including but not limited to:</p> <ul style="list-style-type: none"> • Assigning a unique Transaction Control Number (TCN);

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Implementing document balance (input/output) control procedures and batch control procedures; and • Preventing adjustment or resubmission of claims based upon Procuring Agency defined configurable criteria.
	4.1.10 Claim Inquiry	<p>The Contractor's solution shall provide a flexible system with multiple, real-time submission, retrieval, processing, adjustment tracking, and claim inquiry medium including at a minimum:</p> <ul style="list-style-type: none"> • Paper; • Electronic media; • Portal; • Fax; • Chat; and • Phone. <p>The Contractor's solution must track (maintain audit trail) and report on inquiry and response.</p>
	4.1.11 EDM Integration	<p>The Contractor's solution shall maximize the acceptance and transmission of all electronic HIPAA claims, capitation reports, remittances and claims inquiry; receive imaged files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>Minimum processing tasks include:</p> <p>Receiving, storing, retrieving, and claim association/linking (e.g. one to many, many to one, many to many) documents such as:</p> <ul style="list-style-type: none"> • Electronic and non-electronic claims; • Claim attachments; • Other claim related inputs (e.g., Sterilization, abortion, and hysterectomy consent forms, medical expenditure transactions which have been processed outside the MMIS, treatment surveys, financial reports) • Claim notes, treatment notes; • HIPAA Transactions 276/277, 820, 835, 837, D.O, 999; • Supporting information; and • Provide for populating and displaying an attachment indicator field when attachments exist for the claim. <p>Provide and configure for automatically requesting claim attachments and supporting documents, (e.g., program, clinical data, procedure, diagnosis, surgical reports, consent forms, incapacity evaluations, Provider communications, adjustment/void forms, updated turnaround documents) through the SI, based on configurable Procuring Agency defined business rules.</p>

Task Item	Sub Tasks	Description
		<p>For clarification examples include:</p> <ul style="list-style-type: none"> • Members with TPL would require TPL data or EOB attachment; • Claims for Substance Abuse may require chart notes or updates on success rate from provider. <p>Quality Assurance:</p> <ul style="list-style-type: none"> • Provide and configure automatically performing quality control procedures to verify that the electronic image is legible, meets quality standards and validation procedures to ensure accuracy of the information from paper claims attachments.
	<p>4.1.12 Pricing</p>	<p>The Contractor’s solution shall provide a system with configurable, date driven, rule based, pricing methodologies.</p> <p>Claim and/or Encounter pricing include, but are not limited to:</p> <ul style="list-style-type: none"> • Across all claim types (e.g., crossover, waivers, anesthesia, other claim types) as required and defined by the Enterprise to meet State and Federal regulations; • Using indicators for enhanced payments (e.g., dental, home health, rural, Indian Health Service [IHS], Tribal 638s) • Provider Specific pricing (e.g., location, authorization, out-of-state, performing location, not billing, specialty) • Member Specific pricing (e.g., benefit package, age, income level, gender, spending cap, date of death, voucher eligibility, eligibility category at the time of service, waiver, or other program, Early Periodic Screening, Diagnosis and Treatment (EPSDT) eligibility, exceptions) • Comply with existing and revised changes to Procuring Agency and/or program pricing; • Price zero (0) payment claim lines or lesser logic (payment does not exceed their billed amount when the lesser of the provider’s billed amount or the Medicaid fee schedule rule applies) without issuing payment; • Reductions (e.g., Medicaid/Medicare dual eligible, percentage, flat amount, cut-back based upon eligible units, bundling/unbundling of professional services, global charges, multiple surgical procedures, laboratory, radiology, content of service, laboratory panel, net against EOB, deduct other paid amounts, based upon program policy rules, Provider contractual write-off amount, fractions of quantities);

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Reason codes for exceptions; • Unique pricing methodologies (e.g., price hospice services as a function of the nursing home rate [e.g., percentage, blended bundling, carve-out] to calculate payment to the hospice provider, calculating the original Medicare Usual and Customary Charge amount and applying different reimbursement methodologies to various claim types [e.g., mental health, physician, facility, anesthesia, waiver programs], Ratio of Costs to Charges amount on a provider specific basis, presence of other procedure(s) in history [e.g., global pricing, technical and professional components, multiple modifiers]); • Manual pricing, when automatic pricing fails, with a valid override code; • Based upon a combination of multiple payment methods or rates for the same services (e.g., claim type, Provider type, Provider specialty, place of service, Member characteristics, geography, pricing modifiers, category of service); • At the line and header level; • Use a variety of data elements and algorithms that are consistent with 42 CFR 447; • Variable payment amounts (e.g., fee schedules, per diems, DRG rates, Pay for Performance [P4P] value add, FMAP, value-based payments [VBP], capitation rates, case management fees, per diems, case mix, percentage-of-charge rates, rates based on level of care, preferred Provider global rates, DME, supplies, Primary Care Physician Payment Incentive [PCPPI], Member specific, fixed and/or variable rates, rate add-ons); • Calculate the “Encounter Cost Value,” or the cost of services reported on the encounter claim had they been paid on a fee-for-service basis; • Variable data for programs that use different price structures than Medicaid; and • All other capabilities as available through pricing configuration.
	4.1.13 Configurable Business Rules Engine	<p>The Contractor’s solution shall provide a configurable system with a date driven, real-time, Rules Engine that is table driven, modular and reusable.</p> <p>Minimum Tasks, include but are not limited to:</p>

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Configurable Rules Engine <p>Provide and configure (add/update) Procuring Agency defined rules within agreed upon time of the Procuring Agency providing rule including but not limited to:</p> <ul style="list-style-type: none"> • Define when to automatically pay; • Define when to suspend/deny; • Define when and to what Procuring Agency employee role needs to review; • Define the exception/error/audit codes and when to post including the ability to post at the provider or service type level; • Define the reason codes, including override; • Define when to route claims for review and approval; • Define the hierarchy for claims processing and account code assignment; and • Define program specific rules, policies, edits. <p>Rules Engine Changes</p> <p>Rules Engine Changes must include at minimum:</p> <ul style="list-style-type: none"> • An approval process for any changes to the claims business rules platform while acknowledging that only the Procuring Agency has the authority to activate or deactivate business rules; • Provide authorized Users the ability to define and redefine claim edits; and • Have business rules that can be configured by a trained Enterprise Business Analyst (BA) or Contractor BA and not hard coded in the Solution. <p>Date Driven includes at a minimum:</p> <ul style="list-style-type: none"> • Start date; • End date; • Modified date; • History of date changes and description; • Ability to establish date in the future; and • Ability to establish a retroactive start date.w
	4.1.14 Adjudication Rules	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Claim (e.g., paid, suspended, voided) Adjudication rules.</p> <p>Provide and configure rules within agreed upon time of Procuring Agency providing Adjudication rules including but not limited to:</p>

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Single or multiple line items through multiple edits, audits and pricing algorithms allowing for some lines to be paid while others are denied or suspended; • Maintain a Procuring Agency defined number of error code occurrences per claim line; • Maintain a history of exceptions/error codes that apply at each stage of a claim's processing along with the changes that triggered the change to the exception list and who (person) or what (system rule) processed the error code; • Re-adjudicate automatically when changes occur on the claim; • Using historic claims, suspended claims, in-process claims, and same cycle claims; • Multiple claims types; • Allowing manual processing; • Non-medical claims/invoices; • eVisits (e.g., telemedicine, video consultation) claims; • Automatically retain adjudicated claims in a "hold for payment authorization" status until adjusted, voided, or authorized for payment; • Suspend claims and capitations (e.g., initial, adjusted, voided) and alert Users to review the outcome prior to final adjudication; • Automatically identify line-level claim workflow dispositions (e.g., Provider for additional information, Fiscal Agent for correction) based on highest severity edit status or force code for that line and independently process each line to claim completion; and • Post all relevant RA codes to the claim at the service-line level.
	4.1.15 Adjudication Hierarchy	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Adjudication Hierarchy rules including but not limited to:</p> <ul style="list-style-type: none"> • Process claims through a hierarchy of benefit plans that contains all possible benefit plan combinations allowable by the Procuring Agency; • Process through the benefit plans as listed in order on the individual benefit plan hierarchy threads and assign the related account code (funding source); and • Prioritize claim adjudication based upon claim characteristics.
	4.1.16 Non-standard Adjudication	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, non-standard claims (e.g., invoices,</p>

Task Item	Sub Tasks	Description
		<p>non-member specific payment, Custody Medical, Nursing Home supplemental claims, program vouchers, Personal Care services, Children Foster Care services, Personal Care allowance, equine therapy, Synar smoking cessation services) Adjudication rules.</p> <p>Provide and configure (add/update) Procuring Agency defined rules within agreed upon time of the Procuring Agency providing Adjudication rules including but not limited to:</p> <ul style="list-style-type: none"> • Single or multiple line items through multiple edits, audits and pricing algorithms allowing for some lines to be paid while others are denied or suspended; • Maintain a Procuring Agency defined number of error code occurrences per claim line; • Re-adjudicate automatically when changes occur on the claim; • Automatically retain adjudicated claims in a “hold for payment authorization” status until adjusted, voided, or authorized for payment; • Suspend claims and capitations (e.g., initial, adjusted, voided) and alert Users to review the outcome prior to final adjudication; • Automatically identify line-level claim workflow dispositions (e.g., Provider for additional information, Fiscal Agent for correction) based on highest severity edit status or force code for that line and independently process each line to claim completion; and • Post all relevant RA codes to the claim at the service-line level.
	<p>4.1.17 Automatic Claim Generation</p>	<p>The Contractor’s solution shall provide a configurable system with date driven, real-time, Automatic processing rules.</p> <p>Provide and configure (add/update) Procuring Agency defined rules within agreed upon time of the Procuring Agency providing Automatic Processing rules including but not limited to:</p> <ul style="list-style-type: none"> • Generate claims (e.g., one time, recurring) based upon Procuring Agency authorized parameters; • Generate non-standard traditional claim (e.g. State Residential Facilities, Voucher, Case Management, Health Department payments, value-based purchase invoices, non-member specific invoices); • Automatically process claim payment adjustments or voids when supporting documentation is received;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Maintain a history of exceptions that apply at each stage of a claim's evolution along with the changes that triggered the change; • Re-adjudicate processed (e.g., paid, denied) claim; and • Re-adjudicate claims that have not been finalized (e.g., suspend) for payment.
	4.1.18 Continuous Process Improvement	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, rules to identify errors in processing and/or payment rules and workflow for correction.</p> <p>Minimum Tasks include but are not limited to:</p> <ul style="list-style-type: none"> • Prevent future re-occurring errors identified during manual claims adjudication interventions; • Review common claim edit summary • Prevent missed payments; • Reduce number of mass adjustments and processing time; • Achieve improvements to claims adjudication and mass adjustment accuracy rate of ninety-eight percent (98%) or higher; and • Improve timeliness of the mass adjustment processes such that processing time does not exceed twenty-four (24) clock hours.
	4.1.19 Claim Edits and Error Codes	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Business Rule Edits and Error Codes for claim processing.</p> <p>Minimum Tasks include but are not limited to:</p> <ul style="list-style-type: none"> • Edit and Error Code Rules Engine <p>Provide and configure a system with Procuring Agency defined, date driven, edit and error code posting rules (cross referenced to the policy or billing requirement, edit disposition and configurable Fee for Service and Encounter processing action) with edit dispositions that are configurable down to the provider type or service type level within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Edit and Error codes need to be configurable based upon multiple characteristics for providers such as taxonomy, provider type, service, geographic location, etc. • Edit and Error codes need to be configurable based upon multiple characteristics for members such as different benefit plans; member eligibility, program differences, MCO enrolled benefits, MCO carve out services, MCO enhanced benefit services, etc.;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • General edits (duplicate, format, acceptable values, SNIP, bundle vs. un-bundle, age vs. procedure, Incidental, Emergent visits, prepayment review, diagnosis); • Dental edits; • Program, policy specific edits; • Institutional edits; • Reference edits (e.g., diagnosis, service codes, modifiers, benefit plans, place of service); • Limits, relationship (e.g., complementary, conflict/mutually exclusive) edits; • Required Attachment Edits (e.g., clinical data, surgical reports, consent forms, incapacity evaluations, Provider communications, adjustment/void forms, updated turnaround documents); • Prior Authorization edits; • Eligibility edits (e.g., Provider, Member) • Timeliness edits; • Deduction edits (e.g., Third Party Liability, Crossover claims, patient responsibility); • Pre-enrollment Edits; and • Per the Procuring Agency’s instruction manuals (e.g., provider billing, claim resolution) and in conformity with medical, dental, or institutional care. <p>Configurable Codes</p> <p>Provide and configure a system with Procuring Agency defined, date driven, reference codes, including but not limited to:</p> <ul style="list-style-type: none"> • Error codes; • Remittance Advice Codes; and • Override Codes. <p>"What If" Functionality</p> <p>Provide and configure a system with “What If” functionality including at a minimum:</p> <ul style="list-style-type: none"> • Ability to pilot business rules prior to implementing in production or other to determine what would occur; • Must be kept up to date; • Provide the flexibility to add and change indicators and parameters easily; • Provide an environment that mirrors production, for testing of any proposed business rule or configuration (e.g., edits, benefit plan, reference, rates, pricing);

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Ability to set specific date parameters; and • Have data loaded that supports the parameters. • Maintain MCO Edit Tables • Receive and store MCO system edits for each MCO to be used in display of the MCOs adjudicated encounters
	4.1.20 Dental Claims	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, claim edits for dental claims.</p> <p>Minimum Tasks, include but not limited to:</p> <p>In addition to general edits, provide and configure Procuring Agency defined, date driven claim processing rules, using Current Dental Terminology (CDT) procedure codes, within agreed upon time of the Procuring Agency providing rules for dental claims edits, including but not limited to:</p> <ul style="list-style-type: none"> • Use Current Dental Terminology (CDT) procedure codes; • Invalid tooth number; • Preauthorization estimate; • Bundle vs. un-bundle; • Duplicates • Age vs. procedure; • Category of eligibility vs. procedure; • Mutually exclusive; • Incidental; • Ensure that a provider's adjusted payment does not exceed their billed amount when the lesser of the provider's billed amount or the Medicaid fee schedule rule applies; • Emergent visits; and • Lifetime limits
	4.1.21 Claim Format Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Format Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, format edit and error code rules for claims (e.g., claims, adjustments, voids) within XXX time of the Procuring Agency providing, including but not limited to:</p> <p>Regardless of the source and format (e.g., Web Portal, EDI, Paper, Electronic batch; Individual electronic; Paper claims converted to electronic; Direct Data Entry (DDE), Fax, Enterprise generated claims, 837D, ADA dental paper billing form) perform:</p> <ul style="list-style-type: none"> • Field validity edits; • Format edits; and

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> Required data (e.g., Provider number [NPI], Member ID number, Procedure codes, Diagnosis codes, Dates of Service).
	4.1.22 Program Policy Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Program Policy Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Program/Policy edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> Early Periodic Screening, Diagnosis and Treatment [EPSDT] edits; Behavioral Health claims or vouchers; Payment of interest; Identification of tax implications (e.g., sales tax, gross receipts tax, (e.g., sales tax, gross receipts tax, Member being defined as the "Employer" and the service provider being defined as the "Employee" for specific services to accommodate payroll transactions); and Incarceration rules.
	4.1.23 Facility Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Facility Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Facility edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> Run Inpatient hospital claims through a grouper for Diagnostic Related Grouping (DRG) assignment and edits for covered/non-covered DRG; Run Facility claims through an outpatient prospective payment system (OPPS); Run Facility claims through an Outpatient Code Editor (OCE); and Aggregate an inpatient facility length of stay across multiple claims and audit readmissions when a single admission spans multiple claims.
	4.1.24 Reference Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Reference Data sets for claim processing.</p>

Task Item	Sub Tasks	Description
		<p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Reference edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • All coded data items consist of valid codes (e.g., HCPCS, CPT, DPT, DSM, DC:0-5, ICD 10, ADA, DRG, NCPDP, anesthesia codes and time, Category of eligibility); • All other reference items consist of indicators (e.g., PA required, Taxonomy associated, Accident diagnosis, pay and chase, attachment(s) required [e.g., chart notes, operative report, EOB], Rate Cells, National Drug Code [NDC] for code drugs administered in office, CMS NCCI edits, diagnosis codes to procedure codes, revenue codes with valid and approved Current Procedural Terminology [CPT]/ Healthcare Common Procedure Coding System [HCPCS] codes); • Provide the ability to group benefit plans with subgroups that inherit rules; and • Store and retrieve standard code sets, groups of code sets (e.g., place of service, category of service, taxonomy match, provider type, program policy, program benefit plans, units of service, restrictions, TPL coverage, lock-in, gender, age, PI findings, reference files, historic claims, registry data, modifiers, valid dates, service conflicts, required documentation, limits, check-digit validation, referring NPI, waiver eligibility).
	<p>4.1.25 Limits, Conflicts and Complimentary Edits</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Limits, Conflicts and Complimentary Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Limits, Conflicts and Complimentary Relationship edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Automatically suspend, or deny claims when a particular claim does not have required related claim(s) (e.g., anesthesia claim with no facility or professional claim, surgical assistant claim with no surgeon's claim [HCFA 1500 for the surgical fee]) within Procuring Agency defined timelines;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Adjudicate current claim against associated claims in history to limit payments to a dollar threshold; and • Services on one or more claims do not exceed defined limits associated with the services or procedures of one or more plans (e.g., member benefit plan, budgets, Enterprise rules, voucher limits, post-partum care provided sixty days after
	4.1.26 Member Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Member Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Member Eligibility edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Eligibility, Category of Aid, and other Member information from the Procuring Agency Medicaid eligibility determination system (ASPEN) or other Procuring Agency eligibility; • Newborn Eligibility; • Presumptive Eligibility; and • Medicare eligibility information to identify Medicare crossover claims.
	4.1.27 Provider Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Provider Edits for claim processing.</p> <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, Provider Eligibility edit and error code rules for claims (e.g., claims, adjustments, voids) within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Valid providers (e.g., rendering, supervising, billing, attending, prescribing) on the claim; • Eligibility information (e.g., NPI when appropriate, Procuring Agency assigned non-NPI, provider classification, MCO affiliation, individual or group enrollment, credentials [certifications, license, accreditations], Taxonomy, CLIA, LTC facility certification, trading partner number (TPN) for providers or clearing houses, service restriction indicator; billing categories of service, identification numbers; other user-specified Provider indicators;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Provider Preventable Conditions (e.g., Stage III and IV pressure ulcers, air embolism) per Federal and Procuring Agency regulations and laws; • Provider (lab, radiology, specialty physician) claim if service is not referred and authorized by a gatekeeper (e.g., Health Home, ACO, PCCM); and • Current Procuring Agency Provider Agreement.
	4.1.28 Timeliness Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Timeliness Edits for claim processing.</p> <p>Minimum Tasks include but are not limited to:</p> <ul style="list-style-type: none"> • Edit and Error Code Rules Engine <p>In addition to general edit requirements, provide and configure a system with Procuring Agency defined, date driven, timely filing and processing edits and error codes rules for claims (e.g., claims, adjustments, voids) within agreed upon time of Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Claim is submitted within Procuring Agency defined timelines; and • Coordinate payment with multiple financial cycle timetables. <p>Related Workflow/Alerts/Notifications to assure claim are processed and paid timely including but not limited to:</p> <ul style="list-style-type: none"> • Process ninety-nine (99) percent of all clean claims within ninety (90) days of the date of receipt; • Process 100% within twelve (12) months of receipt, except for State/Federal defined exceptions; • Process retroactive adjustment processing within one (1) business day of receipt of the request from the Enterprise or its designee and notifies the Enterprise when the SLA is not met; • Immediate notification of suspended claims; and • Additional notification for suspended claims greater than twenty (20) days.
	4.1.29 TPL Edits	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Coordination of Benefit (COB)/Third Party Liability (TPL) Rules for claim processing.</p> <p>In addition to general edit requirements (including prior authorization), Provide and Configure a system with Procuring Agency defined, date driven edits and error codes for Coordination of Benefit with a third-party payer (e.g., Medicare</p>

Task Item	Sub Tasks	Description
		<p>[A, B, C, D], casualty, Waiver programs, Insurance Carrier, hearing plan, vision plan, worker’s compensation, VA benefits) to assure Medicaid is the payer of last resort, within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <p>Edit for Members with other coverage; to include, but not limited to, the following:</p> <ul style="list-style-type: none"> • Determine if claims are for Members with TPL coverage (current and retroactive) and determine if service is covered by the third party and if date of service is within coverage period; • Use other carrier reason codes for determining allowed amount; • Deny claims if the third-party payment information is not provided and message the provider to bill other party; • Deny claims for products or services that are covered by a third party and authorize payment when the service is not covered by the third-party; and • Apply edits in compliance with National Association of Insurance Commissioners (NAIC) primacy rules. <p>Capture and Configure Rules for referring for TPL follow up:</p> <ul style="list-style-type: none"> • Capture new and/or updated TPL coverage information and refer to Enterprise TPL; • Identify possible “Pay and Chase” claims and refer to Enterprise; and • Identify possible “Casualty” claims and refer to Enterprise. <p>Cost Avoid (at header and/or line level):</p> <ul style="list-style-type: none"> • Cost avoid based on procedure code and/or coverage data; • Cost avoid based upon Other Payor Explanation of Benefits; and • Cost avoid based upon Medicare Cross Over claim data (e.g., Member, program type) allowing for coinsurance, deductible, and other patient responsibility amounts while maintaining and using an accurate cross-reference between Medicare and Medicaid Provider Numbers to ensure accurate payment.
	<p>4.1.30 Liability Reduction Edits</p>	<p>The Contractor’s solution shall provide a configurable system with date driven, real-time, application of liability amounts during claim processing.</p> <p>In addition to general edit requirements, Provide and Configure a system with Procuring Agency defined, date driven rules to apply</p>

Task Item	Sub Tasks	Description
		<p>liability (cost sharing) amounts during claim processing including but not limited to:</p> <ul style="list-style-type: none"> • Long Term Care patient liability; • Patient Responsibility; • Program Participation • Cost share; • Co-insurance; • Co-payment; • Room and Board; • Out of pocket maximum; and • Enrollment fees.
	<p>4.1.31 Prior Authorization (PA) Edits</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, PA Edits for claim processing.</p> <p>Minimum Tasks, include but not limited to:</p> <ul style="list-style-type: none"> • Edit and Processing Rules <p>In addition to general edit and processing requirements, Provide and Configure a system with Procuring Agency defined, date driven edits and error codes for Prior Authorization Edits within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Identify and match (Member, Provider) Prior Authorization (non-medical service authorization, referral, plan of care, issued voucher) for editing, to include, but not limited to, the following: • Deny claims for services that require authorization when an active authorization does not exist; • Continually calculate the available service authorization units or total dollar coverage amounts and cutback as necessary (reduce service value to only those that are authorized, for example an authorization exists for five (5) services and seven (7) are billed, claims pay for only those authorized and denies the two (2) in excess of the authorization) • Maintain and use real time service limit history; • Edit claims across multiple providers; and • Integrate across the Enterprise (e.g., receive and use waiver program authorizations or plan of care (POC) limits (e.g., units, dollars). <p>Comply with Automatic Override Rules, at minimum:</p>

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Override otherwise applicable service authorization rules, based on information submitted on claims (e.g., diagnosis code, DRG); and • Process for payment claims for emergency services. <p>Decrement and De-decrement:</p> <ul style="list-style-type: none"> • Capture and use the related PA (including override or force indicator) data during the claims adjudication process to reflect usage of services at the claim line level (decrement) (e.g., authorized unit, visit, dollar amounts used; authorized unit remaining, visit remaining, dollar amounts remaining) and adjust accumulators (de-decrement) when a claim using a PA has been revised (e.g., reversed, adjusted, voided).
	<p>4.1.32 Managed Care Organization (MCO) Edits</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, MCO Edits for claim processing.</p> <p>In addition to general edit and processing requirements, Provide and Configure a system with Procuring Agency defined, date driven edits and error codes for MCO rules within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Deny claims for fee-for-service (FFS) Providers for gatekeeper (e.g., MCO, Accountable Care Organization [ACO], PCCM, PIHP, PAHP) Member services included in the MCO benefit package • Use designated Provider numbers on the Member file indicating Lock-in restrictions, Lock-out restrictions, and restrict payment authorizations of claims from non-designated Providers; and • Pay services carved out of a gatekeeper (e.g., Health Home, MCO, ACO, PCCM) benefit package (e.g., family planning, women health specialist, emergency medical condition, bundled payments).
	<p>4.1.33 Override Edits</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, Override Edits for claim processing.</p> <p>In addition to general edit and processing requirements, Provide and Configure a system with Procuring Agency defined, date driven edits and error codes for Override rules within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • For each error code, at minimum; • A resolution code;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • An override rule; • A force or deny indicator; • Data that the error was resolved, forced, or denied. • Provide a view of all errors and overrides associated with the claim at both the header and detail line-item level; and • Identify claims for audit review of appropriateness of any override code used on a claim
	<p>4.1.34 Claim Payment Rules</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, payment processing rules.</p> <p>Minimum Tasks include but are not limited to:</p> <p>Payment Rules:</p> <p>Provide and configure a system with date driven business rules for payment processing with notifications (e.g., suspended payments, payments/denials for providers within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <p>Payments:</p> <ul style="list-style-type: none"> • To Providers (e.g., Medical, Non-Medical); • To Non-Providers; • Unique Payments (e.g., DSH, uncompensated care, non-member specific, invoices, lump sum incentive payments, Pay for Performance (P4P), value-based payments, recovery funds, advance payments, EVV timesheets); • Void or Adjustment initiated (e.g., Recovery voids, recovery adjustments, PBM claims, QA claim adjustments or voids); and • Accounting Transaction Request (ATR). <p>Payment schedule as defined by the Procuring Agency:</p> <ul style="list-style-type: none"> • Weekly; • Daily; • Immediate; and • Other
	<p>4.1.35 Capitation Per Member Per Month (PMPM) Payment Rules</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, business rules for Per Member Per Month (PMPM) Capitation payment processing.</p> <p>Provide and configure a system with date driven business rules for PMPM capitation payment and remittance documentation, processing within agreed upon time of the Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • Capitation Payments

Task Item	Sub Tasks	Description
		<p>Automatically generate Per Member Per Month (PMPM) capitation (health plan) payment authorizations based on a combination of Cohorts, including at a minimum:</p> <ul style="list-style-type: none"> • Procuring Agency-Only capitation; • Federally Qualified Health Center (FQHC); • Regional Health Center (RHC); • Member's program category of eligibility/aid; • Benefit package; • Gender; • Age; • Geography (e.g., Zip Code, County Code); • Protected Member's residential zip code while protecting the privacy of these Members; • Disease management program algorithms; • EPSDT enrollment; and • Primary Care Physician (PCP) Enrollment. <p>Payment adjustments and accuracy:</p> <ul style="list-style-type: none"> • Per Procuring Agency direction, create capitation adjustment claims (e.g., prorate, retroactive, additional payment amount, recoupment); • Manually perform capitation status prior to payment; • Edit for duplicates; • Partial month Enrollment; • Suppress payments, and capitation, in whole and in part (e.g., at the Member level, gross level, netted against adjustments); and • Limit the length of time to retroactively adjust a capitation rate or payment.
	<p>4.1.36 Sending Data to Enterprise</p>	<p>The Contractor's solution shall provide a configurable system with date driven, real-time, rules for Sending Data to the Enterprise via the integration catalog.</p> <p>Provide and configure a system that provides, in a standard format, Procuring Agency defined claims data such as:</p> <ul style="list-style-type: none"> • Reporting data; • Cost settlement data; • Status (e.g., paid, denied, adjusted, voided); • Payment amounts; • Edit disposition; • Submission data; • Claim receipt date;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Information that is associated with the initial entry process such as batch or sequence numbers; • Provider at the detail service line level; • NDC and quantity amount information for physician administered drugs; • Decrement or dedecrement utilization for Authorizations; <p>Quality Assurance suspected claims including but not limited to:</p> <ul style="list-style-type: none"> • Potential PI case data; • Potential lock-in; • Potential lock-out; • Discrepancies found between the Provider timesheet and services rendered; • Potential fraud and abuse; • Possible TPL (e.g., other insurance paid amount on claim, “pay and report” indicator, accident diagnosis); • Prepayment review; and • Required Authorization. <p>Tracking and sending conditions of interest defined by the Procuring Agency until conditions have been treated such as:</p> <ul style="list-style-type: none"> • Referral data; • Disease management diagnosis; • Special health needs; • Early Periodic Screening Diagnosis and treatment (EPSDT) data; • Waiver care data; and • NDC data, for physician administered drugs, such as: <ul style="list-style-type: none"> • NDC number; • Therapeutic Class Codes; • NDC quantity amount information; • Revenue description field for UB04 Medicare Crossover claims; and • "J" codes administered in the physician office on a CMS1500 form/HIPAA 837 <p>The Contractor’s solution shall provide a record of changes to the data, including at a minimum:</p> <ul style="list-style-type: none"> • Structured audit trail records, defining the fields (e.g., Member claim processing data [e.g., eligibility, MCO enrollment, age, gender], Provider claim processing data [Taxonomy, NPI, billing/paying address, processing location], claim pricing data (e.g., rate,

Task Item	Sub Tasks	Description
		<p>lesser payment amount, specific payment rules), Account Code assignment, claim number and any related adjusted claim numbers, Notes, Who/What made change, when) and the formats it will audit, how it controls access to audit information and services and provide to the Procuring Agency; and</p> <ul style="list-style-type: none"> • Actions by all Users and all systems, including view only.
	<p>4.1.37 Receiving and Use Data from the Enterprise</p>	<p>The Contractor's solution shall provide a configurable system that receives real-time and uses Claims/Encounter data from the Enterprise via the integration catalog.</p> <p>Provide and configure a system that receives, in a standard format, Procuring Agency defined claims/encounter data, such as:</p> <ul style="list-style-type: none"> • Claim/encounter (e.g., PIHP, FFS, PAHP, Waiver) data, • Special health needs; • Early Periodic Screening Diagnosis and treatment (EPSDT) data; • Referral data; • Authorization data; • Financial files (e.g., warrant or EFT number, payment date, amount paid); • Waiver care data; • Data stored from its original transactions; • Diagnostic Related Grouping (DRG) information (e.g., base rates, capital, medical education, weights, average length of stay, outliers); claims and provider files with information about returned, stopped payment, or cancelled checks forwarded from DFA; and • Multiple rates from varying benefit plans across Procuring Agency programs. <p>The Contractor's solution must integrate with the CCM to provide alerts and notifications.</p> <p>The Contractor's solution must provide the ability to inform/extend the data models including metadata management, to minimize maintenance tasks when additional data elements are produced or required by the Enterprise.</p>
	<p>4.1.38 Document Processing</p>	<p>The Contractor's solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p>

Task Item	Sub Tasks	Description
		For documents that require printing and distribution, the Contractor's solution shall generate print files and transmit them electronically via the SI to the Procuring Agency's selected print/mail vendor.
	4.1.39 Portal Integration	<p>The Contractor's solution shall provide a configurable system that integrates with the Portal, real-time, to accept claims, adjustment/reconsideration requests, attachment and/or encounter submissions and apply Procuring Agency defined edits.</p> <p>Provide and configure a system that integrates with the Portal to accept real-time submissions and apply Procuring Agency defined edits of incoming claims, claim adjustment/reconsideration requests, encounters and/or attachments, including at a minimum:</p> <ul style="list-style-type: none"> • Real-time submission, retrieval, processing, adjustment and tracking of any claim (e.g., archived, institutional, professional, non-medical) and run through all edits, audits, and pricing logic to comply with Procuring Agency and Federal policies; • Pre-validation of claims minimum required data prior to accepting; • Coordinate with the SI to enable discussion threads, chats, and annotations; • Edit claims and/or adjustment/reconsideration requests, submitted and reject back through the Portal to the submitter any that are missing critical data (e.g., provider data, member data, service data, SNIP level 2 data) that would be needed to process the claim; and • Return through the Portal the claim, adjustment/reconsideration requests, or attachment to the submitter, with the return reason.
	4.1.40 Remittance Advice (RA)	<p>The Contractor's solution shall provide a configurable system that integrates with the SI to transmit print files to the Procuring Agency Print/Mail Vendor.</p> <p>Minimum Tasks include but are not limited to Generate Remittance Advice (RA) print file as well as other documents and transmit them electronically via the SI to the Procuring Agency's selected print/mail vendor. RA Print files shall include at a minimum:</p> <ul style="list-style-type: none"> • Provide configurable RA templates (e.g., adjustment/void in a separate section, deductions) to the Procuring Agency to specify the organization, level of detail, and order of appearance on the RA.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Provide cost-effective distribution of remittance advice or 835 transactions that save the cost of mailing while continuing to meet the providers' needs. • Enterprise-defined data beyond existing RA format to include unique Procuring Agency defined criteria (e.g., FICA, FUTA, SUTA, GRT, specific messages)
	4.1.41 Electronic Options	<p>The Contractor's solution shall provide a configurable system that captures electronic options.</p> <p>Minimum Tasks include but are not limited to capture Electronic Options as defined by the Procuring Agency, such as:</p> <ul style="list-style-type: none"> • Providers who are eligible to use Electronic Funds Transfer (EFT); • Providers who are eligible for Electronic Claims Submission; and • Identify Providers who have met non-electronic exceptions.
	4.1.42 Unique Transaction Control Number (TCN)	<p>The Contractor's solution shall provide a configurable system with date driven, real-time rules that assigns, captures, tracks, and links unique Transaction Control Number (TCN).</p> <p>Unique TCN management, include at a minimum:</p> <ul style="list-style-type: none"> • Automatically assigns, or accepts and uses unique control numbers; • Tracks; • Maintains; and • Link to existing documents. <p>TCN management of documents to include at minimum:</p> <ul style="list-style-type: none"> • Claims (medical and non-standard); • Adjustments (linked to original transaction); • Voids (linked to original transaction); • Attachments (linked to original transaction); • Supporting documentation (linked to original transaction); • Capitations and adjustments; and • Other financial transactions.
	4.1.42 Encounter Integration	<p>The Contractor's solution shall provide a configurable system with date driven rules for real-time integration of Encounter data.</p> <p>The Contractor's 837 files via the SI, perform SNIP editing to the level approved by the Procuring Agency, and reject transactions that fail this editing back to the submitter with a 999 and solution shall accept provider/clearinghouse-submitted TA1 reply.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall convert Unified Portal-submitted to an 837 format for processing by the appropriate payer.</p> <p>The Contractor's solution shall assign a TCN to each accepted 837 transaction and direct such transactions to the appropriate payer:</p> <ul style="list-style-type: none"> • The solution shall load claims denoting an MCO as payer to the FS system in a To Be MCO status, and shall create files of such transactions for each MCO for delivery via the SI. • The solution shall process and adjudicate FFS claims in accordance with Procuring Agency-approved business rules. <p>The Contractor's solution shall accept MCO-submitted Post-Adjudicated Claim Data Reporting (PACDR) transactions via the SI, update the status of the original claim from To Be MCO to a Paid or Denied Encounter, and add to the claim record the results of MCO processing (including TCN, MCO TCN, allowed amounts, payment amounts, CAS amounts, TPL and patient liability deductions, and denial reasons).</p> <p>The Contractor's solution shall generate a file by MCO of To Be MCO claims for which no corresponding PACDR transaction has been received within 30 days, and shall direct such files to the appropriate MCO via the SI.</p> <p>The Contractor's solution shall reject MCO-submitted PACDRs that do not match a claim in a PACDR status.</p> <p>The Contractor's solution shall process MCO-submitted encounters in an 837 format for services such as care management that are not paid via provider-submitted claims.</p> <p>Matches capitation summary data and fee-for- service (FFS) claims data to verify that the MCO payments do not exceed FFS upper limits.</p>
	<p>4.1.43 System Documentation</p>	<p>The Contractor shall develop and provide Claims Processing solution documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to provide and maintain all service delivery documentation related to the design of each</p>

Task Item	Sub Tasks	Description
		<p>module/ component and its interaction with other modules/components.</p> <p>The Contractor shall develop and provide documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall develop and provide program specific documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, valid values List, field lengths, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports and dashboards generated by the Claims Processing solution, providing the Procuring Agency with SQL, pseudo code, narrative description, or some combination thereof to document completely the algorithms and formulas used in all reported/displayed fields and computed variables, analytic protocols, and assumptions.</p>
4.2 Training		
	4.2.1 Training Material	<p>The Contractor shall develop appropriate training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the FS configuration and contents.</p>
	4.2.2 Business User Manual	<p>The Contractor shall provide and make available online a Business User Manual to guide Stakeholder staff with the use of all FS components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the FS tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p>

Task Item	Sub Tasks	Description
	4.2.3 Knowledge Transfer	<p>The Contractor shall provide training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
4.3 Review and Acceptance		
	4.3.1 Plans, Documentation, Implementation	The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.
4.4 Configure, Test and Implement Solution		
	4.4.1 Requirements/Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) “To-Be” journeys applicable to the Claims Processing solution; analyze how the SOW requirements and base solution capabilities support the “To-Be” vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p>
	4.4.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>As part of Test Data Preparation, the Contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>

Task Item	Sub Tasks	Description
	4.4.3 Test Execution	<p>The Contractor is expected to perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues.</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p>
	4.4.4 UAT	<p>The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable). UAT shall be performed by Procuring Agency staff.</p>
	4.4.5 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>
4.5 Manage Agreed Payment Schedule		
	4.5.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 4 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$6,986,189.96 upon Procuring Agency approval of 4.4.1 Requirements/Design including NMGRT less \$1,397,237.99 retainage • \$9,780,665.94 upon Procuring Agency approval of 4.4.3 Test Execution including NMGRT less \$1,956,133.19 retainage • \$8,383,427.95 upon Procuring Agency approval of 4.4.4 User Acceptance Testing (UAT) including NMGRT less \$1,676,685.59 retainage • \$1,397,237.99 upon Procuring Agency approval of 4.2 Training including NMGRT less \$279,447.60 retainage

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Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"><li data-bbox="625 275 1386 380">• \$1,397,237.99 upon Procuring Agency approval of 4.3 Review and Acceptance including NMGRT less \$279,447.60 retainage

Deliverable 5: Configure, Test and Implement Self-Directed Home and Community Based Services (SDHCBS) and Electronic Visit Verification (EVV) Solution

<u>Deliverable Five</u>	<u>Due Date</u>	<u>Compensation</u>
Configure, Test and Implement Self-Directed Home and Community Based Services (SDHCBS) and Electronic Visit Verification (EVV) Solution	No Later Than 07-01-2024	Total Compensation \$0.00

Task Item	Sub Tasks	Description
5.1 Migrate SDHCBS and EVV Solution to MMISR Environment		
	5.1.1 Interfaces	<p>The Contractor shall configure, test, and implement the changes required for its approved and operational SDHCBS solution to interface with its new Claim Processing solution.</p> <p>The Contractor shall configure, test, and implement the changes required for its approved and operational EVV solution to interface with its new Claim Processing solution.</p> <p>The Contractor shall ensure that its approved and operational SDHCBS and EVV solution interfaces with the SI Integration Platform as directed by the Procuring Agency.</p>
	5.1.2 Web Portal	The Contractor shall make all existing SDHCBS and EVV web functionality available via the MMISR Unified Portal.
	5.1.3 Document Processing	<p>The Contractor's solution shall facilitate the electronic submission of required documents.</p> <p>The Contractor's solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>The Contractor's solution shall index incoming image files by document type and associated participant so they may be tracked as part of the participant's record.</p> <p>For documents that require printing and distribution, the Contractor's solution shall generate print files and transmit them electronically via the SI to the Procuring Agency's selected print/mail vendor.</p>
	5.1.4 Required Enhancements	The Contractor shall enhance its approved and operational SDHCBS and EVV solution to support all requirements of the 21 st Century Cures Act that will be effective at the time the FS solution is released to production.

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall automatically calculate and apply New Mexico Gross Receipts Tax based on Tax and Revenue Department requirements.</p> <p>The Contractor's solution shall efficiently capture and maintain current email addresses for participants.</p>
5.2. Configure, Test and Implement Solution		
	5.2.1 Requirements/Design	<p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p>
	5.2.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>As part of Test Data Preparation, contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>
	5.2.3 Test Execution	<p>The Contractor is expected to perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p>
	5.2.4 UAT	<p>The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable). UAT shall be performed by Procuring Agency staff.</p>
	5.2.5 System Documentation	<p>The Contractor shall develop and provide SDHCBS and EVV solution documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and</p>

Task Item	Sub Tasks	Description
		<p>Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to provide and maintain all service delivery documentation related to the design of each module/ component and its interaction with other modules/components.</p> <p>The Contractor shall develop and provide documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall develop and provide documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports and dashboards generated by the SDHCBS and EVV solution, providing the Procuring Agency with SQL, pseudo code, narrative description, or some combination thereof to document completely the algorithms and formulas used in all reported/displayed fields and computed variables, analytic protocols, and assumptions.</p>
	5.2.6 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>
5.3 Training		
	5.3.1 Training Material	<p>The Contractor shall develop appropriate SDHCBS and EVV training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency</p>

Task Item	Sub Tasks	Description
		<p>approval for each training tailored to the FS configuration and contents.</p> <p>SDHCBS and EVV training materials for participants must be available in English and Spanish.</p>
	5.3.2 Business User Manual	<p>The Contractor shall provide and make available online an SDHCBS and EVV Business User Manual to guide Stakeholder staff with the use of all FS components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the FS tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p> <p>The SDHCBS and EVV Business Manual must be available in English and Spanish.</p>
	5.3.3 Knowledge Transfer	<p>The Contractor shall provide SDHCBS and EVV solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
5.4 Review and Acceptance		
	5.4.1 Review and Acceptance	<p>The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.</p>

Deliverable 6: Configure, Test and Implement Pharmacy Benefit Management (PBM) Solution

<u>Deliverable Six</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">Configure, Test and Implement Pharmacy Benefit Management (PBM) Solution</p>	<p align="center">No Later Than 07-01-2024</p>	<p>Total Compensation not to exceed \$6,117,626.43 including NMGRT less \$1,223,525.28 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$1,529,406.61 upon Procuring Agency approval of 6.4.1 Requirements/Design including NMGRT less \$305,881.32 retainage • Approximately \$1,223,525.29 upon Procuring Agency approval of 6.4.3 Test Execution including NMGRT less \$244,705.06 retainage • Approximately \$1,529,406.61 upon Procuring Agency approval of 6.4.4 User Acceptance Testing (UAT) including NMGRT less \$305,881.32 retainage • Approximately \$917,643.96 upon Procuring Agency approval of 6.5 Training including NMGRT less \$183,528.79 retainage • Approximately \$917,643.96 upon Procuring Agency approval of 6.7 Review and Acceptance including NMGRT less \$183,528.79 retainage

Task Item	Sub Tasks	Description
6.1		Meet Minimum PBM Solution Requirements

Task Item	Sub Tasks	Description
	<p>6.1.1 Provide Pharmacy Benefit Management Solution</p>	<p>The Contractor shall provide a Point of Sale (POS) Solution, which includes at a minimum the following capabilities:</p> <ul style="list-style-type: none"> • Transmission and online real-time processing of pharmacy claims with immediate response to the Provider • Real-time access to Member and Provider eligibility information and IDs • Prior approval processing • TPL processing and response, • Notification of co-payment requirements, • Reversal of claims • Compounded prescriptions processing including processing of drug rebates related to compounded prescriptions • Accept and process qualifier from the pharmacy or help desk to permit overrides for emergencies, life-threatening illnesses, and other situations defined by the Procuring Agency. <p>The Contractor's solution shall provide POS functionality that will be available to Providers for claims submission.</p> <p>The Contractor's solution shall support electronic signature functionality and accept digital signatures from Providers on prior authorization request and prescribing Physicians.</p> <p>The Contractor's solution shall provide an unlimited free-form text note within the PBM for various functions (e.g., prior authorizations, case management) accessible by authorized PBM users.</p>

Task Item	Sub Tasks	Description
	6.1.2 Claims Ingestion	<p>The Contractor's solution shall accept, and process approved national standard paper claim forms or electronic claims transactions and send appropriate associated standard responses.</p> <p>The Contractor's solution shall use NCPDP standards and the Pharmacy Universal Claim Form or a similar Form approved by the Procuring Agency, including online submission of multiple ingredient compound prescriptions, ability to receive and verify all NCPDP data fields, voids, rebilling, partial fill transactions, and the most detailed levels of reject code specificity.</p> <p>The Contractor's solution shall process other input documents including, but not limited to, claims for Medicare coinsurance and deductible (crossover claims), in both paper and electronic formats, authorizations for service in paper and electronic formats, and claim adjustments in paper and electronic formats.</p>
	6.1.3 TCN Assignment/Batch Control	<p>The Contractor's Solution shall perform batch control and reporting.</p> <p>The Contractor's Solution shall assign unique TCN that coordinates with Enterprise standards for length and nonduplication for claims.</p>
	6.1.4 Claims Format	<p>The Contractor's solution shall utilize quality and validation procedures to ensure accuracy of the information from paper claims and attachments, entered the PBM while validating data entry before it is adjudicated.</p> <p>The Contractor's solution shall provide the capability to accept decimal amounts in the unit field in compliance with NCPDP standard claims format (version D.0 and higher).</p> <p>The Contractor's solution shall accept National Provider Identifier (NPI) numbers from prescribers on all claims and provide the ability to capture other ID numbers, (e.g., Drug Enforcement Agency [DEA], National Association of Boards of Pharmacy [NABP], Enterprise ID), where appropriate.</p> <p>The Contractor's solution shall accept NCPDP 1.2 batch (non-real time) format for electronic pharmaceutical drug encounter records.</p>

Task Item	Sub Tasks	Description
	6.1.5 Claims Transaction and Adjudication Response	<p>The Contractor's solution shall respond to Providers, based on the Procuring Agency criteria, when claims with automated NCPDP edits and/or supplemental customized edits fail.</p> <p>The Contractor's solution shall provide an NCPDP/HIPAA-compliant transmission response, (e.g., acceptance, rejection) to the submitting Provider on the success/failure of the submission of claims and/or files.</p> <p>The Contractor's solution shall return real-time, to the pharmacy Provider, the status of the claim and any errors or alerts associated with the processing, (e.g., edit failures, Prospective Drug Utilization Review [ProDUR] alerts, Member or coverage restrictions, prior authorization missing, required coordination of benefits, refill too soon, requires generic substitution, deny experimental drugs, requires unit dose {or not}, package size not approved, drug efficacy study implementation [DESI] are not covered) as defined by the Procuring Agency.</p>

Task Item	Sub Tasks	Description
	6.1.6 Claims Adjudication	<p>The Contractor's solution shall perform all necessary validity, logic, consistency, and coverage editing based on Procuring Agency policy for all pharmacy claims submitted.</p> <p>The Contractor's solution shall adjudicate ninety-nine percent (99%) of pharmacy claims submitted via POS technology in real-time.</p> <p>The Contractor's solution shall accept and adjudicate all POS transactions.</p> <p>The Contractor's solution shall automatically adjudicate claims for drugs requiring prior authorization for which criteria has been met.</p> <p>The Contractor's solution shall adjudicate and edit claims for drugs that require prior authorization.</p> <p>The Contractor's solution shall suppress claims processing (e.g., entirely, specific edits, pricing) based on criteria (e.g., behavioral health, pay and chase, management override) defined by the Procuring Agency and refer for follow up.</p> <p>The Contractor's solution shall identify 340B claim lines, conforming to the National Council for Prescription Drug Programs (NCPDP) Standard Transactions Format.</p> <p>The Contractor's solution shall perform adjudication, including validating data items which can be obtained by mathematical manipulation of other data items, agree with the results of that manipulation, and utilizes data elements and algorithms to compute claim reimbursement for claims that is consistent with 42 CFR 447, for individual claims and batch claims.</p> <p>The Contractor's solution shall ensure the processing and adjudication of claims for medical supplies (e.g., diabetic test strips, blood glucose monitors, other medical supplies) in accordance with a process approved by the Procuring Agency.</p>

Task Item	Sub Tasks	Description
	6.1.6 Claims Adjudication (continued)	<p>The Contractor's solution shall process, verify, and adjudicate mass adjustments for all paid and denied claims and zero pays.</p> <p>The Contractor's solution shall adjudicate claims based on national standard adjustment reason codes and remark codes from third parties where Medicaid is not the primary payer.</p> <p>The Contractor's solution shall adjudicate claims based on Provider type and specialty data per Procuring Agency and Federal policy (e.g., only allowing mental health medications to be prescribed by a psychiatrist).</p> <p>The Contractor's solution shall pay for compound drugs through the POS, including those with multiple National Drug Codes (NDC).</p> <p>The Contractor's solution shall adjudicate electronic adjustments to paid claims submitted through the Pharmacy POS Solution.</p> <p>The Contractor's solution shall perform online real-time capture, processing, and adjudication of pharmacy claims, including applying copayment amounts, submitted by Providers via POS devices or switch, (e.g., NCPDP and subsequent-version claims required by 45 CFR Part 162).</p>

Task Item	Sub Tasks	Description
	6.1.7 Claims Adjustment	<p>The Contractor's solution shall allow adjustment and/or void of claims (e.g., payment amounts, mass adjustments) based on data received from the Enterprise and/or user-defined selection criteria and provide adjustment and void information to the Enterprise.</p> <p>The Contractor's solution shall link original claims to subsequent adjustments for a consistent audit trail including overrides.</p> <p>The Contractor's solution shall exclude claims from mass adjustments (as defined by the Procuring Agency rules) that have zero impact to a payment.</p> <p>The Contractors' solution shall identify claims currently and previously subject to audit or recovery down to the line detail level.</p> <p>The Contractor's solution shall initiate adjustments if the billing Provider identifies an error in the claim data billed.</p> <p>The Contractor's solution shall implement and maintain the capability to apply Drug Rebate Recoveries to encounters/claims through history only adjustments for the Claims Administration/Drug Rebate activities.</p> <p>The Contractor's solution shall provide the capability to track, report, and process prior period adjustments in a manner consistent with CMS requirements for correct reporting on the CMS-64.</p> <p>The Contractor's solution shall adjust, process and/or price Medicaid/Medicare dual eligible claims in accordance with Medicare guidelines.</p> <p>The Contractor shall initiate adjustments if the billing pharmacy identifies an error in the claim data billed.</p>
	6.1.8 Claims Financial	<p>The Contractor's solution shall create financial transactions for PBM generated claims through the Enterprise and Supporting Services for payment.</p>

Task Item	Sub Tasks	Description
	6.1.9 Business Rules	<p>The Contractor's solution shall allow for multiple reversals and partial fills on drug claims.</p> <p>The Contractor's solution shall capture, calculate, and store the duration of time between the initial prescription and subsequent refills.</p> <p>The Contractor's solution shall provide an alert to designated staff when a pharmacy claim is paid for specific NDCs (e.g., smoking cessation).</p> <p>The Contractor's solutions shall support limitations on prescriptions for specified date/time ranges as defined by the Procuring Agency (e.g., number of prescriptions, day supply or quantity, duplicate therapy, total dollar amount) for review.</p> <p>The Contractor's solution shall allow Providers to report Member payments on their claims such as copays, co-insurance, and deductibles.</p> <p>The Contractor's solution shall include prior authorization support (e.g., capability to search the claims history to determine if previous steps in therapy have occurred) prior to approving or denying the drug claim.</p> <p>The Contractor's solution shall exempt designated Members from PA requirements, according to the Procuring Agency policy.</p> <p>The Contractor's solution shall use co-insurance, co-pay, and deductibles from third parties at the detail level for detail-oriented claims.</p> <p>The Contractor's solution shall mark claims that have been set to pay and report for Retrospective Drug Utilization Review (Retro-DUR) purposes.</p>

Task Item	Sub Tasks	Description
	6.1.10 Edits	<p>The Contractor's solution shall set post-processing edit(s) or flag rejected claims and indicate the reason for which the claim was rejected.</p> <p>The Contractor's solution shall reject or deny pharmacy claims with certain diagnoses codes, for specific situations (e.g., services, Members, pharmacies, prescribers).</p> <p>The Contractor's solution shall validate that a submitted Member's diagnosis code(s) supports the service being billed.</p> <p>The Contractor's solution shall post edits and deny claims billing separately for a drug for the same Member using different drug identifiers such as NDC number.</p> <p>The Contractor's solution shall provide a POS Solution with the ability to identify Medicare dual-eligible and to edit pharmacy claims pursuant to the Procuring Agency policies.</p> <p>The Contractor's solution shall verify that one or more claims do not exceed the Procuring Agency defined service limits established in a Pharmacy Benefit Plan prior to payment.</p> <p>The Contractor's solution shall limit payment for drugs to those described within the Pharmacy Benefit Plan and shall deny claims exceeding dollar or utilization limits established in the Pharmacy Benefits Plan.</p> <p>The Contractor's solution shall process claims against defined services, policy, and payment parameters within the Pharmacy Benefit Plan for each Benefit Plan.</p> <p>The Contractor's solution shall edit prescription claims based on presence of prior authorization (PA).</p> <p>The Contractor's solution shall verify that a prescribing Provider is a valid prescriber.</p> <p>The Contractor's solution shall verify that a dispensing Provider is enrolled and eligible, including authentication and certification for access to the POS Solution.</p> <p>The Contractor's solutions shall automatically identify and validate the dispensing pharmacist against a database of sanctioned pharmacists.</p>

Task Item	Sub Tasks	Description
	6.1.10 Edits (continued)	<p>The Contractor's solution shall post edits and deny claims from the same Provider who is billing more than once for the same drug, Member, and/or the same claim.</p> <p>The Contractor's solution shall prevent Providers, pharmacies, and prescribers from submitting claims or verifications successfully unless the Provider is actively enrolled.</p> <p>The Contractor's solution shall post edits and deny claims from different Providers who are billing separately for a drug for the same Member.</p> <p>The Contractor's solution shall verify the pharmacy Provider and Member was eligible on the same date that the service was provided.</p> <p>The Contractor's solution shall allow claim editing and disposition based on specific characteristics of the Provider (e.g., claims for drugs prescribed by a psychiatrist versus non-psychiatrist Provider type) or therapeutic class of the prescribed drug(s).</p> <p>The Contractor's solution shall edit the active drug claim against up to twelve (12) months of utilization history.</p> <p>The Contractor's solution shall maintain edits to support "emergency supply" limitations for pharmaceuticals, as determined by the Procuring Agency.</p>
	6.1.11 Explanation of Benefits (EOB)	The Contractor's solution shall provide the capability to display multiple POS explanation of benefits messages.
	6.1.12 MCO Encounters	The Contractor's solution shall report any encounters that would have been adjudicated differently if they had been processed as fee for service claims.

Task Item	Sub Tasks	Description
	6.1.13 Pharmacy Benefit Plan Management	<p>The Contractor's solution shall create and modify Pharmacy Benefit Plans within the Pharmacy Benefits Management service (PBM) such that the services, services limitations, prior authorizations, Provider rates, and Member cost sharing amounts within a Pharmacy Benefit Plan are easily configurable through a rule-driven design.</p> <p>The Contractor's solution shall identify and limit services within a Pharmacy Benefit Plan for a specific Member, based on utilization criteria established by the Procuring Agency.</p> <p>The Contractor's solution shall add, update, or delete Pharmacy Benefit Plan elements (e.g., TPL information, pricing, prior authorizations).</p> <p>The Contractor's solution shall allow authorized Users to set and override Pharmacy Benefit Limits (e.g., Over the counter [OTC], Quantity limits).</p> <p>The Contractor's solution shall provide the flexibility to support Pharmacy Benefit Plan geographical service areas (e.g., county, city, zip code, and mileage).</p> <p>The Contractor's solution shall calculate and set Medicaid co-pays by Pharmacy Benefit Plan and Member eligibility as directed by the Procuring Agency.</p> <p>The Contractor's solution shall capture benefits used in a managed care plan and then apply those services to the benefit limits when a Member returns to FFS.</p> <p>The Contractor's solution shall perform Member prescription copay reset processing annually.</p> <p>The Contractor's solution shall develop, establish, maintain, and approve Specialty Pharmacy Benefit Plans in coordination with the Procuring Agency and other applicable stakeholders.</p> <p>The Contractor's solution shall validate that a new drug is a covered outpatient drug before adding such a drug to the pharmacy benefit plan.</p> <p>The Contractor's solution shall allow authorized Users to define plans, benefits, and pricing in the PBM.</p> <p>The Contractor's solution shall monitor and update drug program edits as new drugs are added or excluded from drug therapeutic classes.</p>

Task Item	Sub Tasks	Description
	6.1.14 Pharmacy Benefit Plan Enrollment / Disenrollment	<p>The Contractor's solution shall allow manual enrollment/disenrollment in a Pharmacy Benefit Plan when data is not passed through the system.</p> <p>The Contractor's solution shall support accurate and timely enrollment in, or disenrollment from, (e.g., automatic, choice-based) a Pharmacy Benefit Plan.</p> <p>The Contractor's solution shall assign Members to Providers within a new Pharmacy Benefit Plan as a part of the Member Over-Utilization Program (COUP) program so that Members can only receive benefits from specific pharmacies, prescribers, or combinations of the two (2).</p>
	6.1.15 Pharmacy Benefit Plan Data	<p>The Contractor's solution shall maintain current and historical records of Pharmacy benefit assignment(s) for Members.</p>
	6.1.16 Pricing	<p>The Contractor's solution shall price claims/encounters based on reimbursement methodology criteria, dispensing fee criteria and date specifications set by the Procuring Agency.</p> <p>The Contractor's solution shall price and process DME supply claims/encounters.</p> <p>The Contractor's solution shall price pharmacy claims according to the Procuring Agency reimbursement methodologies at the lesser of the Procuring Agency's recognized pharmacy reimbursement methods (e.g., WAC + dispensing fee; Federal MAC [CMS Federal Upper Limit + Dispensing Fee]; Usual and Customary Charges to General Public; Enterprise MAC [Enterprise MAC + Dispensing Fee]).</p> <p>The Contractor's solution shall provide and maintain pricing for all procedure coded outpatient covered drugs utilizing a method approved by the Procuring Agency that follows Procuring Agency and Federal guidelines.</p>
	6.1.17 Pricing Methodology Auditing	<p>The Contractor's solution shall allow authorized PBM users to view detailed pricing (e.g., dispensing fee, prescription amount) methodology per prescription and calculations used to process each line on the claim.</p>
	6.1.18 Pricing Updates	<p>The Contractor's solution shall provide a configurable system to allow for updates and changes to rates and various pricing methodologies.</p>

Task Item	Sub Tasks	Description
	6.1.19 Receive Pricing Data	<p>The Contractor's solution shall receive and maintain current and historical coverage status and pricing information on pharmaceuticals (e.g., legend drugs, OTC items, injection codes).</p> <p>The Contractor's solution shall receive pricing information from various sources, (e.g., third party vendors, contactors, CMS, the Enterprise), and input into the PBM.</p>
	6.1.20 Assign Prior Authorization (PA)Number	<p>The Contractor's solution shall auto-assign a unique, non-duplicated PA number for tracking throughout the life of the PA. This PA number shall be used in claim processing to validate the services and shall be recorded on the claim record.</p>
	6.1.21 PA Data/Attachments	<p>The Contractor's solution shall provide and maintain a history of PA attachments such as:</p> <ul style="list-style-type: none"> • Medical record • LTC PA • Certain prescription drugs as required • Other items required by State or Federal rule.

Task Item	Sub Tasks	Description
	6.1.22 Receive and Process PA Request	<p>The Contractor’s solution shall enforce the Procuring Agency prior authorization policies by performing the following activities: Receiving prior authorization requests from Providers, processing such requests in accordance with Procuring Agency policy, and entering approved authorizations into the PBM. Interfacing with the MMIS prior authorization information as determined by the Procuring Agency’s Third-Party Assessor (TPA) contractor, Children’s Medical Services, and other agencies providing authorizations for service, and enforcing prior authorization criteria as a requirement for payment as defined by the Procuring Agency, performing both electronic interface and manual updates. Continually analyzing the prior authorization data interfaces and process to improve the accuracy of the information in the PBM. Entering authorization information as necessary from paper copies, reports, logs, or other documents as determined by the Procuring Agency as necessary to process claims timely and accurately including allowing for directing of authorization information into the PBM solution by Contractor staff.</p> <p>The Contractor’s solution shall accept, store, and edit PAs, including the ability to edit PAs automatically and manually.</p> <p>The Contractor’s solution shall identify and reject duplicate PAs.</p> <p>The Contractor’s solution shall link multiple PAs to a Member record and display them.</p> <p>The Contractor’s solution shall coordinate and standardize processing and tracking of PA data for the purpose of utilization review.</p> <p>The Contractor’s solutions shall identify, search, and report on PAs with potentially conflicting or duplicative data.</p> <p>The Contractor’s solution shall provide the ability to assign PBM caseload “weights” to cases, PI requests, or PA requests based upon difficulty or other criteria such as complexity and priority.</p> <p>The Contractor’s solution shall alert authorized PBM user and/or Providers when a Member is approaching prior authorization benefit/service maximum.</p> <p>The Contractor’s solution shall review drug prior authorization criteria and reviews of PA (e.g., SMART PA).</p>
	6.1.23 Search and View PA	<p>The Contractor’s solution shall allow users to search and view PAs by selected criteria such as Provider, Member, PA type and drug information.</p>

Task Item	Sub Tasks	Description
	6.1.24 Prospective Drug Utilization Review (ProDUR) Alerts/Denials	<p>The Contractor's solution shall support interaction criteria in the system using clinically significant drug criteria so that only appropriate alerts/denials are transmitted back to the Provider.</p> <p>The Contractor's solution shall ensure that, for each alert/denial, the system must inform the Provider of the following:</p> <ul style="list-style-type: none"> • Alert conflict type (e.g., drug allergy alert) • Alert severity level (e.g., minor, major) • Available data related to the alert (e.g., other drug or condition in conflict), including references • Other alerts as identified by the Procuring Agency. <p>The Contractor's solution shall identify clinically significant alerts (e.g., drug allergy, interaction) and edits for POS that the Procuring Agency has determined should receive on automatic denial.</p> <p>The Contractor's solution shall provide real-time ProDUR alerts for pharmacy claims submitted through the POS system.</p> <p>The Contractor's solution shall track and set up alerts for any new drugs for DUR consideration.</p>
	6.1.25 ProDUR Authorization	<p>The Contractor's solution shall provide a field for authorization or identification when the Provider enters the required override codes for actions taken in response to the drug interaction alerts/warnings and the outcomes of those actions (e.g., physician contacted, incorrect ICD-9-CM/ICD-10-CM, patient quit taking the medication). The system must maintain these acknowledgement codes in history, as well as report them in compliance with HIPAA specifications.</p> <p>The Contractor's solution shall provide a method for Providers to override ProDUR edits or audits to allow payment of the pharmacy claim, as approved by the Procuring Agency.</p> <p>The Contractor's solution shall provide the ability for a pharmacy to override an alert.</p>
	6.1.26 ProDUR Availability	<p>The Contractor's solution shall provide ProDUR capability twenty-four (24) hours per day, seven (7) days a week (24x7), with response times as agreed to by the Procuring Agency. Exception may be allowed for downtime required for regular maintenance if pre-approved by the Procuring Agency.</p>

Task Item	Sub Tasks	Description
	6.1.27 ProDUR Clinical Review	The Contractor's solution shall identify, based upon the Procuring Agency configurable criteria, patients receiving active prescriptions concurrently and refer them for clinical review.
	6.1.28 ProDUR Edits	<p>The Contractor's solution shall maintain systems edits to recognize and deny pharmacy claims for an inappropriate number of units based on clinically appropriate dosing guidelines with allowed Provider overrides.</p> <p>The Contractor's solution shall integrate on-line real-time edits and audits on pharmacy claims to support Procuring Agency and Federal policy compliant ProDUR edits that are tied to NCPDP ProDUR codes as determined and directed by the Procuring Agency and the DUR Board.</p> <p>The Contractor's solution shall provide configurable ProDUR edits based on the Procuring Agency and CMS standards.</p> <p>The Contractor's solution shall ensure ProDUR edits are applied to claims and any edits that post are reported back to the submitting pharmacy.</p> <p>The Contractor's solution shall incorporate diagnosis codes from medical claims history in the ProDUR editing process.</p> <p>The Contractor's solution shall establish and maintain edits for ProDUR alerts requiring service authorization, including but not limited to early refills, level I drug-to-drug interactions, drugs restricted to a thirty-four (34) day supply limit.</p> <p>The Contractor's solution shall perform clinical claims edits using nationally accepted medical review criteria.</p>

Task Item	Sub Tasks	Description
	6.1.28 ProDUR Edits (continued)	<p>The Contractor’s solution shall use predetermined standards to monitor the following:</p> <ul style="list-style-type: none"> • Therapeutic appropriateness, that is, drug prescribing and dispensing that is in conformity with the predetermined standards • Overutilization and underutilization, as defined in § 456.702 • Appropriate use of generic products, that is, use of such products in conformity with Procuring Agency product selection laws. • Therapeutic duplication as described in § 456.705(b)(1). • Drug-disease contraindication as described in § 456.705(b)(2). • Drug-drug interaction as described in § 456.705(b)(3). • Incorrect drug dosage as described in § 456.705(b)(4). • Incorrect duration of drug treatment as described in § 456.705(b)(5). • Clinical abuse or misuse as described in § 456.705(b)(7). <p>The Contractor’s solution shall deny claims by comparing the Pharmacy claim against Member history and benefit rules and per Procuring Agency and Federal policy, (e.g., over or under utilization of a drug, used in lower or higher than effective doses, a refill pattern that indicates noncompliance, drug-use duration outside of therapy recommendations, prescribed overlap of two drugs within the same therapeutic class, drug that would be contraindicated for any reason [e.g., such as allergy, age, gender] therapeutic appropriateness, appropriate use of generic products, therapeutic duplicate disease).</p>
	6.1.29 ProDUR Lock-in	The Contractor’s solution shall identify any Member restricted to a specific pharmacy (“lock-in”) and/or Provider and alert the dispensing pharmacy as necessary.
	6.1.30 ProDUR Data	The Contractor’s solution shall receive and maintain DUR data with associated DUR processing algorithms to allow ProDUR processing with the capability of receiving data and algorithm updates on at least a monthly basis or more frequently as specified by the Procuring Agency.
	6.1.31 Provider Compliant Management	The Contractor shall support an online Provider complaint tracking, resolution, and reporting process that allows the Contractor to proactively identify trends and provide reports to the Procuring Agency per agreed upon schedule.

Task Item	Sub Tasks	Description
	6.1.32 Provider Inquiry	The Contractor shall respond, track, and resolve all Provider inquiries made concerning recipient eligibility, Provider status, claim status, billing procedures, and remittance vouchers upon initial request, if possible. If immediate responses are not possible, written responses to inquiries will be made within five (5) workdays of the date of the inquiry. The Procuring Agency will approve all form letters in writing before they are put into production use.
	6.1.33 Receive Provider Data	<p>The Contractor's solution shall receive and maintain identifiers for designating Providers who can submit paper claims or electronic claims.</p> <p>The Contractor's solution shall receive and maintain Provider data to support claims processing and prior authorizations.</p>
	6.1.34 Recoupments	<p>The Contractor's solution shall automatically recoup claim details and generate a report if the billing Provider does not respond within the Procuring Agency specified timeframe to request for invoices or billing documents.</p> <p>The Contractor's solution shall provide the capability to override Provider recoupments in accordance with the Procuring Agency criteria.</p> <p>The Contractor shall recoup claims if the billing pharmacy does not respond within a specified time period as determined by the Procuring Agency to a request for invoices or billing documents.</p>
	6.1.35 Recoveries	The Contractor's solution shall apply, track and document recovered or recoverable monies to the appropriate claims at the detail level.
	6.1.36 Reimbursements Rates	The Contractor's solution shall create date-sensitive modifications to the reimbursement rates as directed by the Procuring Agency.
	6.1.37 Retro-DUR	The Contractor's solution shall track and set up alerts for any new drugs for DUR consideration.
	6.1.38 Generate Retro-DUR Data	The Contractor's solution shall generate data for Retro-DUR purposes with monthly updates and summaries.
	6.1.39 Third Party Liability (TPL)	The Contractor's solution shall capture and maintain Member's current and historical TPL health insurance eligibility and coverage provided by other Contractors and alert Providers of TPL coverage when billing a claim.

Task Item	Sub Tasks	Description
	6.1.40 TPL Edits	<p>The Contractor's solution shall maintain cost avoidance and Third-Party Liability (TPL) edits that are supported by the Procuring Agency approved, NCPDP-compliant code set.</p> <p>The Contractor's solution shall pursue edits on all benefits and services, and benefit utilization service claims for TPL coverage prior to payment (cost avoid) based on the Pharmacy Benefit Plan to ensure Medicaid is the payer of last resort.</p>
	6.1.41 Provide TPL Data	<p>The Contractor's solution shall provide Member's TPL information to other TPL Contractors, pharmacies, or DUR Contractors.</p>
	6.1.42 E-Prescribe	<p>The Contractor's solution shall provide electronic prescribing (E-Prescribing) functionality that captures and tracks electronic prescriptions.</p> <p>The Contractor's solution shall accept and return responses for eligibility verification and claim history requests in real-time.</p>
	6.1.43 Grievances and Appeal	<p>The Contractor's solution shall automatically and securely route grievances and appeal requests to the authorized PBM users or user groups for multiple levels of review, per business rules.</p>
	6.1.44 Data Management	<p>The Contractor shall provide the ability to identify the source of data and the date added to the PBM.</p>

Task Item	Sub Tasks	Description
	6.1.45 Provide PBM Data	<p>The Contractor's solution shall provide online access to data (e.g., claims, CMS listing of manufacturers with drug rebate agreements, CMS listing of quarterly unit rebate amounts, quarterly rebate invoiced amounts at the National Drug Code [NDC] level, NDC Drug file, Provider file, procedure code file).</p> <p>The Contractor's solution shall capture and provide, to the Enterprise, all required data used to produce financial and utilization reports to facilitate cost reporting and financial monitoring of benefits and services.</p> <p>The Contractor's solution shall provide data to the Enterprise to develop, produce, and maintain all reporting functions, files, and data elements to meet current and future Federal and Procuring Agency reporting requirements, rules, and regulations.</p> <p>The Contractor's solution shall capture, store, and transmit, to the Enterprise, all data elements submitted on drug related claims from PBM.</p> <p>The Contractor's solution shall provide files to Contractors for data exchanges with other entities (e.g., insurance carriers, governmental agencies, providers) for use in utilization review.</p> <p>The Contractor's solution shall provide a Member eligibility file to third party E-Prescribing vendors on a real-time basis.</p> <p>The Contractor's solution shall capture, store and maintain data necessary to: correctly adjudicate pharmacy claims; perform online pharmacy claim correction; maintain and perform edits (e.g., date of service, provider eligibility, member eligibility, duplicate, conflict/compatible, complies with Procuring Agency Plan, field validation, referral, prior authorization) and audits; allow claims adjustments; allow online access to pharmacy claims history; correctly price all pharmacy claims/encounters at the detail service line and header level; provide and allow online access to pharmacy claims adjudication and status reporting; and maintain pharmacy claims history.</p> <p>Offeror shall describe how its proposed services retain data (audit records, claims, encounters, payments) per Procuring Agency requirements.</p> <p>The Contractor's solution shall maintain Member records and provide responses to Provider inquiries on Member claims, services, or benefits, as appropriate.</p>

Task Item	Sub Tasks	Description
	6.1.46 Receive Data	The Contractor's solution shall receive, maintain, and update Member eligibility data, managed care enrollment data, Medicare data, Provider eligibility, other insurance resources, Member benefit limitations, and other data necessary for the PBM to correctly process pharmacy claims.
	6.1.47 Apply and Reimburse Dispensing Fees	The Contractor's solution shall ensure that dispensing fees are applied to detailed claim lines fully and solely in accordance with New Mexico Medicaid rules and policies and are reimbursed only to Provider types entitled to receive dispensing fees.
	6.1.48 Maintaining Dispensing Fees	<p>The Contractor's solution shall maintain all historical and current dispensing fees, by date span, as established by the Procuring Agency.</p> <p>The Contractor's solution shall calculate and support variable dispensing fees as defined by the Procuring Agency.</p>
	6.1.49 Dispensing Fees Update	The Contractor's solution shall allow for online updates and changes to dispensing fees by Provider type, plan type and total prescription volume.

	<p>6.1.50 Drug Reference Files Management</p>	<p>The Contractor’s solution shall report and post NDC termination dates and DESI flags (1962 Drug Efficacy and Safety Index) from the CMS file and update the appropriate coverage or pricing data on the drug record.</p> <p>The Contractor’s solution shall maintain a crosswalk of NDC and J codes to corresponding diagnosis codes, to determine appropriate drug utilization.</p> <p>The Contractor’s solution shall determine and specify on the drug file the brand/generics status of drugs that do not, according to drug file information, match the Procuring Agency brand/generic algorithm.</p> <p>The Contractor’s solution shall ensure that the data drug set/file includes but is not limited to the following information for each code contained on the file: the code, itself (e.g., NDC, HRI); whether the code is for a drug or non-drug item; if for a drug item, whether the drug is legend or non-legend; whether the code is for a covered or non-covered service under each of the programs under New Mexico Medicaid; brand and generic name; add date; begin date; effective date; CMS termination date; obsolete date; specific therapeutic class codes and descriptions; route of administration; identification of strength, units, quantity, and dosage form on which price is based; previous NDC; minimum dosage units and days; maximum dosage units and days; generic code number (GCN); generic sequence number (GSN); DEA code; unlimited date-specific pricing segments which include all prices needed to adjudicate drug claims in accordance with Procuring Agency policy; indicators for multiple dispensing fees; date-specific and/or Procuring Agency-specific restrictions on conditions to be met for a claim to be paid including but not limited to maximum/minimum days’ supply, quantities, preferred versus non-preferred indicators, step therapy, place of service, and combinations thereof; name of manufacturer and manufacturer/labeler code(s); quantity field (allowing for decimal units); indicators for controlled drugs, over-the-counter (OTC) drugs, EPSDT, co pays, manual review, Medicare, long term review, and family planning; pricing unit indicators; DESI/LTE (“less than effective” drugs) indicator; unit dose indicator and any/all other elements as determined by the Procuring Agency.</p> <p>The Contractor’s solution shall maintain the drug reference files (e.g., First Data Bank, Medi-Span) for claim pricing at all Procuring Agency-defined and Federal-defined claim levels using "lower of" logic, claim editing capabilities, and detailed claims history in the PBM.</p>
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Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall provide real-time access to the Enterprise's drug file or maintain an up-to-date copy for POS use.</p> <p>The Contractor's solution shall maintain drug reference files with NDCs from multiple sources (e.g., First Data Bank, Medi-Span).</p> <p>The Contractor's solution shall maintain the drug set/file so that there is the capability of having additional data elements added to it in addition to those provided by the drug file vendor.</p> <p>The Contractor shall collaborate with the SI and the Procuring Agency to capture pharmacy/drug code set information.</p> <p>The Contractor's solution shall utilize the drug file to identify repackaged products.</p> <p>The Contractor's solution shall establish and maintain a drug file (e.g., First Data Bank, Medi-Span) such that it correctly reflects and supports pharmacy claims processing functionality.</p> <p>The Contractor's solution shall maintain a Drug data set which can accommodate updates from a contracted drug data and pricing service (e.g., First Data Bank, Medi-Span), the CMS Drug Rebate file, and future Enterprise rebate program updates, updates from Enterprise staff as needed and identify conflicts.</p> <p>The Contractor's solution shall capture and validate data for NDC and HRI additions and updates.</p> <p>The Contractor's solution shall provide the ability to override and modify data transferred from the drug file vendor.</p>
	<p>6.1.51 Drug Reference File Update</p>	<p>The Contractor's solution shall accommodate CMS quarterly updated drug data information in electronic formats defined by CMS.</p> <p>The Contractor's solution shall update the drug file for any HIC3, GCN, GSN, or NDC that are used in the configuration of the covered benefits to ensure correct claims processing.</p> <p>The Contractor shall ensure that all drug file updates conform to the parameters of the covered benefits plan.</p> <p>The Contractor's solution shall provide automatic drug update logic for drug elements with matching logic for coverage, step limits, associations, and pricing.</p> <p>The Contractor's solution shall maintain a drug data set of the eleven- (11) digit National Drug Code (NDC), which can accommodate weekly updates from an updating service; the Drug data set must include legend, over-the-counter (OTC) drugs,</p>

Task Item	Sub Tasks	Description
		<p>durable medical equipment (DME), supplies, and all injectable drugs and contain, at a minimum the following elements:</p> <ul style="list-style-type: none"> • Therapeutic class indicator • Schedule code • DESI code • Prior authorization indicator • Strength • Unit type indicator • Minimum and maximum indicator • Indicator (and other information, as necessary) for drug rebate • Procuring Agency-specified restrictions on conditions to be met for a claim to be paid (e.g., minimum/maximum days' supply, quantities including fractional units, and others) • Description of the drug code • Information on drug usage and contraindication parameters for use in DUR editing and reporting • Allow all other data identified by the Procuring Agency
	<p>6.1.52 Reference Files Management</p>	<p>The Contractor's solution shall provide reference services to manage current and historical PBM reference data so that updates do not overlay, and historical information is maintained and made accessible.</p> <p>The Contractor's solution shall establish and maintain a procedure code data set that ensures the acceptance by the claims processing system.</p> <p>The Contractor's solution shall associate National Drug Codes (NDCs) with their therapeutic indicators.</p> <p>The Contractor's solution shall contain current reference files of all data required to provide validation and pricing verification during claims processing for all approved claims and reimbursement methodologies.</p>

Task Item	Sub Tasks	Description
	6.1.53 Reference Files Update	<p>The Contractor's solution shall process weekly updates from First Data Bank or a similar approved by the Procuring Agency drug pricing service to receive and update reference file data. The Pricing Service Contractor will provide the subcontracted drug pricing service at no additional cost to the Procuring Agency and maintain and update all pricing levels as defined by the Procuring Agency. This includes but not limited to, estimated acquisition costs, state allowed maximum costs, federal upper limits, baseline pricing, WAC (wholesale actual cost), federal supply schedule pricing, and any other pricing levels which the Procuring Agency can supply directly or through electronic interface.</p> <p>The Contractor's solution shall perform mass updates to reference files as defined by the Procuring Agency.</p> <p>The Contractor's solution shall perform automated mass, or manual, updates to Pharmacy Provider rate information.</p> <p>The Contractor's solution shall update codes J and Q, within thirty (30) calendar days of when CMS posts the quarterly pricing updates to the CMS website.</p>
	6.1.54 Business Rules Engine	<p>The Contractor's solution shall provide a rules engine that is flexible and has the capacity to support edits regarding high dose, standard billing units, and statistical outliers for drugs, including the ability to configure claims/encounter edits, pre-adjudication business rules, alerts, and notification triggers.</p> <p>The Contractor's solution shall allow authorized Users to create PBM rules for business functions with the ability to configure rules to be date specific (e.g., date added, date modified, start date, end date, effective date).</p> <p>The Contractor's solution shall allow real-time access and the flexibility to add and change business rules, indicators, and parameters easily.</p>
	6.1.55 Business Rules/Process Management	<p>The Contractor shall respond to changes in the business by using business rules management, business process management, and business activity monitoring tools.</p>

Task Item	Sub Tasks	Description
	6.1.56 Communication Management	<p>The Contractor shall configure communication delivery mechanism alerts and notifications.</p> <p>The Contractor’s solution shall provide and maintain user-controlled and user-configurable parameters for alerts, notifications messages, emails, PBM letters, and other PBM generated notices.</p> <p>The Contractor’s solution shall integrate with the Customer Communication Management (CCM) so that authorized Users can incorporate information on Members and Providers, from the PBM, to be merged into template letters and forms to communicate with Members, Providers, and others.</p> <p>The Contractor’s solution shall create and maintain a directory of all contact information for use in generation of correspondence.</p> <p>The Contractor’s solution shall allow users to subscribe to, and unsubscribe from, publications and content, such as threads and hot topics, and to receive notification (e.g., email, SMS IM, web, other media) when additions or changes are made to subscribed content.</p> <p>The Contractor shall Generate Quarterly letters for focused educational interventions based on Retro-DUR criteria to providers and patients at the direction of the Procuring Agency.</p>
	6.1.57 Workflow	The Contractor’s solution shall provide a PBM workflow that supports assignments and execution for business processes.
	6.1.58 Workflow Monitoring	The Contractor’s solution shall provide and support access to workflow monitoring that includes indicators and statistics by sub process, organization, or individual staff.
	6.1.59 Reporting	<p>The Contractor shall produce and maintain all PBM reports and dashboards, including out of the box reports, as directed by the Procuring Agency.</p> <p>The Contractor’s solution shall allow authorized users to view, search, and query fields for Retro-DUR data and, provide reports and documentation associated with these fields.</p> <p>The Contractor shall establish, in collaboration with the DS Module, a comprehensive quarterly pharmacy benefit status report with an executive summary to include, but not be limited to, assessment of progress achieving strategic objectives, pharmacy utilization trends expressed in terms of cost, volume and quality, identified critical issues with proposed resolutions,</p>

Task Item	Sub Tasks	Description
		<p>cost containment recommendations and other information as required by the Procuring Agency.</p> <p>The Contractor's solution shall provide detail and summary reports for all denied, adjusted, paid, and reported claims, as requested by the Procuring Agency.</p> <p>The Contractor's solution shall produce ProDUR adjudication reports that identify Providers with high use of ProDUR override codes.</p> <p>The Contractor shall report on pharmacy-related HEDIS and/or HEDIS-like measures (e.g., Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis, Pharmacotherapy of COPD Exacerbation, Use of Appropriate Medications for People with Asthma, Antidepressant Medication Management, and Follow-up Care for Children Prescribed ADHD Medication) for the New Mexico Medicaid population.</p> <p>The Contractor shall develop, provide, and post the CMS DUR Annual Report and any other pharmacy benefit-related DUR documents in collaboration with the Procuring Agency.</p> <p>The Contractor shall generate a medical policy report for drug claims that demonstrates, for Federal reporting purposes, that drug claims do not exceed the Federal Maximum Allowable Cost (MAC).</p> <p>The Contractor's solution shall provide reports, approved by the Procuring Agency to the Enterprise for inclusion on the web portal.</p> <p>The Contractor's solution shall provide DUR outputs as requested by the Procuring Agency.</p> <p>The Contractor's solution shall include routine exception reports reflecting differences between the CMS rebate drug file and the POS drug database.</p>
	<p>6.1.60 Contact Center Support</p>	<p>The Contractor shall provide, maintain, and completely staff a Pharmacy Support Contact Center/Help Desk available twenty-four (24) hours per day, seven (7) days per week, to include a state-of-the-art call center telephony system, an appropriate number of telephone lines/trunks, and 24-hour pharmacist backup.</p> <p>The Contractor shall maintain and staff a Provider communications/relations function. This Provider communications/relations function shall include, but is not limited to, the following: providing and receiving communication</p>

Task Item	Sub Tasks	Description
		<p>from toll-free lines; email communication; webinar communication; toll-free fax communication; an automated IVR message informing the Provider of their hold and wait times. Maintaining adequate numbers of telephone lines, technology, and personnel so that all performance standards are met.</p> <p>The Contractor shall provide contact/call center, help desk, web knowledge base and other support services to users, including PBM, and pharmacy Point of Sales (POS).</p> <p>The Contractor shall provide functionality for authorized PBM users to contact the Contractor for PBM support and other questions (e.g., telephone, "Live Chat", instant messaging, email, text).</p> <p>The Contractor's solution shall support the use of a translation service (including Native American languages) for any request requiring a translator.</p>
	6.1.61 Contact Center Integration	<p>The Contractor's solution shall provide bi-directional integration capabilities between the PBM contact/call center/help desk and the CCSC's services (CRM, chat, phone, and data) for all relevant contact types and channels.</p>
	6.1.62 Contact Center Reporting	<p>The Contractor shall maintain a log of Pharmacy Support Help Desk activity that will include, at a minimum and when applicable, the name and phone number of the pharmacy, prescriber's name and identification number, Member's name and identification number, name of drug, therapeutic class, type of call, action taken, and outcome. The contractor shall make an electronic version of the log available to the Procuring Agency upon request. The contractor shall provide summary reports as directed by the Procuring Agency. The format of the log and of the summary reports will be subject to the Procuring Agency approval.</p> <p>The Contractor shall provide a centralized contact/call center and help desk database or reporting capability that creates, edits, sorts, and filters tickets or electronic records of all contacts made to the PBM contact/call center and help desk that can be accessed and utilized by the Procuring Agency for Provider and Member tracking and management.</p> <p>The Contractor's solution shall provide reporting for all contact channels with Members and Providers that includes total number of contacts received, contact received by channel, length of calls, hold time, abandoned calls, the nature of the inquiries, and the</p>

Task Item	Sub Tasks	Description
		<p>timeliness of inquiry responses for all PBM contact center and help desk activities.</p> <p>The Contractor's solution shall monitor and report the Pharmacy Support Help Desk's performance and call blockage rate.</p>
	6.1.63 Contact Center Training	<p>The Contractor shall ensure all Pharmacy Support Help Desk Staff Members are trained in billing procedures and current New Mexico Medicaid policy. The Contractor shall provide for periodic training of telephone representatives.</p>
	6.1.64 Web Portal/PBM Webpage	<p>The Contractor shall manage, publish, update, index, and provide electronic public access via the web portal to all pharmacy related program communications, guides, forms, and files.</p> <p>The Contractor's solution shall provide reports, approved by the Procuring Agency to the Enterprise for inclusion on the web portal.</p> <p>The Contractor's solution shall provide a forum for authorized PBM users to post inquiries, to respond to other posters and to create topical "threads" on problems with the capability to find posts and threads by date or relevance.</p> <p>The Contractor's solution shall provide messages, alerts, and a "System is down" webpage to notify users about System changes and PBM downtimes.</p>
	6.1.65 Web Portal Access	<p>The Contractor's solution shall provide online access to data (e.g., claims, CMS listing of manufacturers with drug rebate agreements, CMS listing of quarterly unit rebate amounts, quarterly rebate invoiced amounts at the National Drug Code [NDC] level, NDC Drug file, Provider file, procedure code file.</p> <p>The Contractor shall provide access to the following Pharmacy content: web announcements; training schedules and enrollment; various forms including PA form; information on maximum allowable costs; information on prescriber lists; and pharmacy meetings.</p> <p>The Contractor's solution shall provide a mechanism where an NDC code can be entered via the POS and a response will designate if a pharmaceutical is covered or non-covered, and if prior authorization is required.</p>
6.2 Security		
	6.2.1 User Access	<p>The Contractor's solution shall maintain online inquiry access and update capability for authorized Users to the PA data set (e.g., in-process or pending requests, approvals, denials, referred</p>

Task Item	Sub Tasks	Description
		<p>to the Procuring Agency or a consultant, PAs for which all services have been used, PA closed), with access by various criteria (e.g., Member ID, Provider ID, ordering Provider ID, PA number, program, service type, procedure, drug code).</p> <p>The Contractor shall create and maintain role-based PBM user profiles and allow for direct data entry into the PBM when data is not received in the system.</p>
	6.2.2 System Security	<p>The Contractor's solution shall supply appropriate safeguards to protect the confidentiality of eligibility information and conform to all Procuring Agency and Federal confidentiality laws, and to ensure that Procuring Agency and Federal HIPAA data security standards are met.</p>
6.3 System		
	6.3.1 Audits	<p>The Contractor's solution shall structure audit trail records, the fields, and the formats it will audit, how it controls access to audit information and services and provide to the Procuring Agency.</p> <p>The Contractor's solution shall provide audits of all steps where source documents are reviewed to the point where the document process ends and how it maintains and sends the audit points to the audit service of the SI module.</p> <p>The Contractor shall audit all actions by all Users and all systems, including view only, of the PBM components.</p>
	6.3.2 System Management	<p>The Contractor shall provide an approach to PBM configuration that can be updated and expanded to support changing Enterprise needs.</p> <p>The Contractor shall make all system changes necessary to support PBM processing.</p>
	6.3.3 System Integration	<p>The Contractor shall collaborate with the Procuring Agency and other Contractors to provide technical assistance to establish and support integration with the PBM.</p> <p>The Contractor's solution shall integrate with the web portal through the Integration Platform (IP) to allow authorized users to access DUR information.</p> <p>The Contractor's solution shall integrate with the IP to obtain and retain Member real-time enrollment and eligibility information that was current for the dates of service at the time of processing the claim.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor’s solution shall integrate with Enterprise content management services to view, store, and search all imaged and electronic attachments associated with each claim.</p> <p>The Contractor’s solution shall integrate with the IP to provide claim information that can be used for proving fraud and abuse cases in a legal setting. The Contractor’s solution shall provide original claim information submitted by the Provider and generate a replica of the appropriate claim format, on a claim-by-claim basis.</p> <p>The Contractor shall coordinate PBM and supporting systems-related integrations between the Enterprise and other Contractors required to manage and execute a process using the PBM.</p> <p>The Contractor’s solution shall interface with:</p> <ul style="list-style-type: none"> • Provider services • Enterprise files (e.g., claims, Beneficiary, Provider, procedure, drug, diagnosis).
6.4 Configure, Test and Implement Solution		
	6.4.1 Requirements/Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) “To-Be” journeys applicable to the PBM solution; analyze how the SOW requirements and base solution capabilities support the “To-Be” vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p> <p>The Contractor shall provide a built-in multi-level rule review and approval process with the Procuring Agency that will validate logic errors, conflicts, redundancy, and incompleteness</p>

Task Item	Sub Tasks	Description
		across business rules to identify any conflicts as they are being configured, tested, and implemented.
	6.4.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>The Contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency) as part of Test Data Preparation.</p>
	6.4.3 Test Execution	<p>The Contractor shall perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues.</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p> <p>The Contractor shall perform online end-to-end processing and testing of a claim (process flow) through the PBM.</p> <p>The Contractor shall conduct testing with E-Prescribing vendors and become certified to exchange data with those vendors.</p>
	6.4.4 UAT	The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable). UAT shall be performed by Procuring Agency staff.
	6.4.5 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>

Task Item	Sub Tasks	Description
	6.4.6 Staff	The Contractor shall maintain the appropriate level of knowledgeable staff who are capable of testing, validating, and documenting operational impacts of changes to the PBM.
6.5 Training		
	6.5.1 Training Material	<p>The Contractor shall develop appropriate PBM training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the PBM configuration and contents.</p>
	6.5.2 Training	<p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p> <p>The Contractor shall access, plan, develop, implement, and evaluate locally based Provider and Member education initiatives including pharmacy program-specific training and communications to pharmacy Providers, medical Providers and Members.</p> <p>The Contractor shall provide training to Procuring Agency staff, Contractor staff, and to Providers on application of Pro-DUR principles.</p>
	6.5.3 Business User Manual	<p>The Contractor shall provide and make available online a PBM Business User Manual to guide Stakeholder staff with the use of all PBM components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the PBM tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p> <p>The Contractor shall provide a repository for all policy decisions, actions, and outcomes related to drug policy.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall develop, produce, publish, and maintain all applicable User Guide/ Help updates and frequently asked questions (FAQs) on the PBM.</p> <p>The Contractor shall document claims/encounters billing processes, policies and procedures and make available online to users and Providers.</p> <p>The Contractor shall develop, maintain, track, and publish all publications (e.g., manuals, bulletins, billing instructions, notices, policy, postings, newsletters).</p>
	6.5.4 Knowledge Transfer	<p>The Contractor shall provide PBM solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p>
6.6 Documentation		
	6.6.1 PBM Documentation	<p>The Contractor shall collaborate, track, and maintain documentation (e.g., system, project, Provider communication materials, version history) with the Procuring Agency.</p>
	6.6.2 Document Processing	<p>The Contractor's solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>The Contractor's solution shall generate print files and transmit them electronically via the SI to the Procuring Agency's selected print/mail vendor for documents that require printing and distribution.</p>
	6.6.3 System Documentation	<p>The Contractor shall provide and maintain documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports generated by the PBM (e.g., providing the Procuring Agency with SQL, pseudo code, narrative description, some combination thereof) to document completely the algorithms and formulas used in all reported fields and computed variables, analytic protocols, and assumptions.</p> <p>The Contractor shall provide and maintain current PBM documentation (e.g., PBM database schema, data dictionaries, entity-relationship diagrams, complete PBM architecture and Configuration diagrams, network diagrams, interface standards for the entire PBM) including those supporting Proprietary</p>

Task Item	Sub Tasks	Description
		<p>Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to provide and maintain all service delivery documentation related to the design of each module/ component and its interaction with other modules/components.</p> <p>The Contractor shall produce and maintain documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p>
6.7 Review and Acceptance		
	6.7.1 Review and Acceptance	The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.
6.8 Manage Agreed Payment Schedule		
	6.8.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 6 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$1,529,406.61 upon Procuring Agency approval of 6.4.1 Requirements/Design including NMGRT less \$305,881.32 retainage • \$1,223,525.29 upon Procuring Agency approval of 6.4.3 Test Execution including NMGRT less \$244,705.06 retainage • \$1,529,406.61 upon Procuring Agency approval of 6.4.4 User Acceptance Testing (UAT) including NMGRT less \$305,881.32 retainage • \$917,643.96 upon Procuring Agency approval of 6.5 Training including NMGRT less \$183,528.79 retainage • \$917,643.96 upon Procuring Agency approval of 6.7 Review and Acceptance including NMGRT less \$183,528.79 retainage

Deliverable 7: Configure, Test and Implement Drug Rebate Solution

<u>Deliverable Seven</u>	<u>Due Date</u>	<u>Compensation</u>
<p>Configure, Test and Implement Drug Rebate Solution</p>	<p>No Later Than 07-01-2024</p>	<p>Total Compensation not to exceed \$1,112,295.72 including NMGRT less \$222,459.15 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$278,073.93 upon Procuring Agency approval of 7.3.2 Requirements/Design including NMGRT less \$55,614.79 retainage • Approximately \$222,459.14 upon Procuring Agency approval of 7.3.4 Test Execution including NMGRT less \$44,491.83 retainage • Approximately \$278,073.93 upon Procuring Agency approval of 7.3.5 User Acceptance Testing (UAT) including NMGRT less \$55,614.79 retainage • Approximately \$166,844.36 upon Procuring Agency approval of 7.4 Training including NMGRT less \$33,368.87 retainage • Approximately \$166,844.36 upon Procuring Agency approval of 7.6.1 Review and Acceptance including NMGRT less \$33,368.87 retainage

Task Item	Sub Tasks	Description
7.1 Meet Minimum Drug Rebate Solution Requirements		
	<p>7.1.1 Provide Drug Rebate Solution</p>	<p>The Contractor’s solution shall adhere to all applicable Procuring Agency and Federal requirements pertaining to Procuring Agency and Federal rebate programs in processing claims.</p> <p>The Contractor shall perform drug rebate activities (e.g., produce drug rebate invoices on a quarterly basis, produce all reports and invoice relating to drug rebates, respond to all drug manufacturer inquiries regarding drug rebate invoices) on all eligible claims/encounters.</p> <p>The Contractor shall ensure that the rebate functionality includes the following features:</p> <ul style="list-style-type: none"> • HCPCS code to NDC matching; • Unit dosage conversion; • Accumulation of interest;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Support user-configurable claim selection criteria (e.g. flag, indicators) for selecting and including claims in the drug rebate system and the ability to modify, calculate and summarize claims data for incorporation in the invoice generation process; • Allow a unit of measure conversion factor for those drugs billed with the NCPDP or J-Code units of measure where the CMS rebate unit of measure is different; • Invoice drug rebates for NDC and quantity information submitted on professional and outpatient claims; • Allow authorized users to access drug rebate claims online; • Link all adjustment activity to the quarter in which the original invoice was mailed; • Track adjustments, post payments and post credits based on Procuring Agency-defined criteria for rebates; • Preserve the characteristics of the invoice and corresponding claim data as it appeared in the period in which it was originally reported; • Generate on demand manufacturer or labeler-specific summaries of invoice registers using current quarter data, prior period adjustments and total invoice amounts; • Record invoice payments by manufacturer or labeler and NDC, including the balance forward, interest calculations and total due; • Reconcile payments to invoices and resolve discrepancies.
	7.1.2 Invoice Audits	<p>The Contractor's solution shall provide an automated method of checking invoices to determine if any unit rebate amounts are zero for more than one quarter. If more than two quarters have an URA of zero, then issue an alert prior to invoice generation and notify the Procuring Agency either through an email or DRAMS meeting.</p> <p>The Contractor's solution shall perform systematic invoice audit looking for high dollar amounts, for conversion calculation errors, making sure no NDC's are expired or have been terminated.</p>
	7.1.3 Invoice Calculation	<p>The Contractor shall automatically determine the amount of rebate due from each manufacturer; based on quantity of units paid for each NDC (both original and adjusted claims), rebate amounts, data specific interest rate and prior period adjustments, per data received from CMS.</p> <p>The Contractor's solution shall provide a method (e.g., percentage and actual), for allocation of drug rebates to program</p>

Task Item	Sub Tasks	Description
		<p>funding source(s) and identify drug rebate amounts by benefit program.</p> <p>The Contractor's solution shall update the invoice information during the generation of invoices for the next quarter, if the amount the manufacturer submits is different from the current invoice.</p>
	7.1.4 Invoice Freeze	<p>The Contractor's solution shall maintain and display original and corrected invoice records for reports defined by the Procuring Agency.</p>
	7.1.5 Invoice Generation	<p>The Contractor's solution shall automatically generate the Drug Rebate Electronic Invoice File for each drug manufacturer with current rebate information, with the ability to generate and distribute (electronically or paper).</p> <p>The Contractor's solution shall identify and generate invoices for HCPCS codes on rebate drugs billed on the CMS 1500.</p> <p>The Contractor's solution shall generate and submit rebate invoices to manufacturers on a schedule as determined by CMS.</p> <p>The Contractor's solution shall produce a periodic statement of accounts for outstanding drug rebate debt including interest calculated based on CMS rules.</p> <p>The Contractor's solution shall display, at a minimum the following information on all drug rebate invoices:</p> <ul style="list-style-type: none"> • Manufacturer name • Manufacturer address • Invoice number • Date invoice created • Quarter Billed • Period covered • NDC number • Drug name • Rebate amount per unit from CMS tape • Total units reimbursed per NDC • Number of Units • Rebate Amount (Current and Previous) • Paid Amount • Number of Scripts • Reimbursed Amount • Dollar Impact

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Total rebate claimed per NDC • Total reimbursement amount • Correction flag • Prior Units Paid • Original Invoice Amount • Revised Invoice Amount • Prior Amount Paid • Amount Disputed • Principal Due • Interest Due • Total Due • Totals by Quarter • Procuring Agency Amount Reimbursed • Other Payments • Grand totals <p>The Contractor's solution shall generate rebate invoices that list claims at the summary level by rebate type (e.g., J codes, primary, 340B, medical supply) and Provider billing type (e.g., professional, institutional outpatient, and pharmacy).</p> <p>The Contractor's solution shall automatically "hold" an invoice that falls under the \$10 threshold until the final invoicing quarter of the calendar year.</p>
	7.1.6 Distribution of Invoices	The Contractor's solution shall provide an electronic file of all rebate (Federal and Procuring Agency) invoicing, prior period adjustments and collections by National Drug Code on a quarterly basis in a format defined by the Procuring Agency.
	7.1.7 MCO Rebate Recovery	The Contractor's solution shall manage Drug Rebate Recoveries based on the information provided by the MCOs.
	7.1.8 Distribution of Drug Claim Listing	The Contractor's solution shall transmit detailed drug claims listings, including pharmacy TPL to manufacturers electronically.
	7.1.9 Claims and Encounters Data	<p>The Contractor's solution shall include managed care encounters in drug rebate processing and provide monthly status compliance reporting on claims submitted without NDCs excluding drug claims in Diagnosis Related Groups (DRGs).</p> <p>The Contractor's solution shall provide and maintain a history of pharmacy claims extract which must include all NDC and other data (e.g., period covered, NDC number, total units paid, product) required by the drug manufacturer rebate process.</p>

Task Item	Sub Tasks	Description
	7.1.10 Dispute Tracking	<p>The Contractor's solution shall record, and track manufacturer disputes of drug rebate invoiced at the NDC detail level.</p> <p>The Contractor shall maintain an automated drug rebate tracking system for disputes that identifies and tracks non-responsive manufactures and allows responding manufactures to submit disputes electronically.</p> <p>The Contractor solution shall allow manufacturers to select portion of the invoice to dispute by invoiced rebate line item or the entire invoice, entering the reason for the dispute and sending the invoice back to the Procuring Agency.</p> <p>The Contractor's solution shall provide a method of extracting claims and other documentation for NDC line items that are in dispute.</p>
	7.1.11 Claims Load and Auditing	<p>The Contractor's solution shall validate Provider 340 B status compliance using Provider's 340B status information and deny any claims that do not meet the Procuring Agency policy or requirements and exclude from the Drug Rebate invoicing.</p> <p>The Contractor's solution shall keep track of 340B drugs submitted with actual acquisition cost (AAC) to monitor for submissions that exceed AAC and provide monthly status compliance reports.</p> <p>The Contractor's solutions shall review and update inconsistencies between rebate amount due and amount paid to pharmacy, including pharmacy TPL, prior to invoice generation.</p> <p>The Contractor shall contact pharmacy Fee for Service (FFS) Providers in instances in which the PBM component determines, through rebates invoicing processes and procedures, that the Provider's claim(s) data is aberrant or otherwise questionable.</p> <p>The Contractor's solution shall include and exclude claims from the rebate program as defined by the Procuring Agency (e.g., NDC, Members, program types, Providers, Provider types, 340B Providers, threshold) and allow routine updates of the rebate exclusion list as program parameters change.</p>
	7.1.12 CMS Labeler Load	<p>The Contractor's solution shall provide the capability to exclude from drug rebate invoices (e.g., units paid to public health service entities that have separate drug rebate agreements with manufacturers in accordance with the Veterans Health Act, 340B Providers, minimum threshold).</p>

Task Item	Sub Tasks	Description
	7.1.13 Drug File Discrepancies	<p>The Contractor's solution shall include or exclude unit type conversion factors for drug unit type mismatches between the pharmacy claim unit types paid and the drug manufacturer unit rebate amount types on the CMS quarterly file.</p> <p>The Contractor's solution shall include the capability to convert the drug database unit and quantity used for invoicing to those used by CMS.</p> <p>The Contractor's solution shall compare NDC unit rebate amounts supplied by the manufacturer directly with the same information supplied by CMS and identify differences.</p> <p>The Contractor's solution shall validate units between CMS and the Enterprise drug reference data (e.g., First Data Bank, Medi-Span) and provide automated conversions where needed.</p>
	7.1.14 Interest Calculation	<p>The Contractor's solution shall automatically calculate interest due on quarterly rebate amounts per Federal Regulations.</p>
	7.1.15 Accounts Receivable	<p>The Contractor's solution shall automatically create a new accounts receivable record for each drug rebate invoice generated by the system.</p> <p>The Contractor's solution shall automatically setup Accounts Receivables at the Manufacturer or Labeler level for drug manufacturers invoiced for rebates.</p> <p>The Contractor's solution shall record all drug rebate accounts receivable including receipts of rebate payments made to the Procuring Agency, distinguishing between Federal and Procuring Agency rebates and rebates for claims and rebates for encounters and apply to correct invoice (e.g., NDC level information, appropriate calendar quarter, invoice and manufacturer or labeler).</p> <p>The Contractor's solution shall split cash receipts between multiple Providers, carriers, drug, and rebate manufacturers.</p>
	7.1.16 Payments	<p>The Contractor's solution shall limit payments of pharmacy claims to drugs that are manufactured by companies on the CMS listing of manufacturers with drug rebate agreements, except as directed by the Procuring Agency.</p> <p>The Contractor's solution shall limit pharmacy claims payments to NDCs manufactured by manufacturers (labelers) with a current CMS drug rebate agreement.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall allow rebate adjustments and payments to be applied at the NDC level and to report accordingly.</p> <p>The Contractor's solution shall capture, or convert electronically, the prior quarter adjustment statement (PQAS) and reconciliation of state invoices (ROSI), perform line-item match by NDC, link to the invoice and identify disputes.</p>
	7.1.17 Reconciliation	<p>The Contractor's solution shall provide the drug rebate reconciliation within ten (10) calendar days to finish allocation and two (2) days before reconciliation after the end of each quarter and meet the Procuring Agency standards for quality and timeliness.</p> <p>The Contractor shall provide automatic and, on an exception basis, manual processes to reconcile amounts paid to amounts invoiced by NDC line item.</p> <p>The Contractor shall perform reconciliation between the drug rebates received by the PBM, amounts transferred to the Procuring Agency and the amount reported on the CMS-64.9R form for the quarter.</p>
	7.1.18 Remittance	<p>The Contractor's solution shall provide the capability of an automatic default of the unit rebate amount to the most recently paid rebate amount.</p> <p>The Contractor shall compare invoices to remittance advices returned by the manufacturer to determine which NDC line items are paid or in dispute.</p> <p>The Contractor's solution shall provide drug rebate adjustment reason code(s).</p>
	7.1.19 Invoice Audit Trail	<p>The Contractor's solution shall provide, maintain, and display an audit trail of all changes made to invoices and flag invoice records that have been changed to facilitate future processing.</p>
	7.1.20 Provide Data	<p>The Contractor's solution shall report and provide all drug rebate data (e.g., invoices, invoice adjustments, payments received, accounts receivable transactions, accounts payable transactions) to the Enterprise.</p> <p>The Contractor's solution shall maintain a history of the data used to support the Procuring Agency in case of a drug manufacturer dispute over the rebate invoice.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall separately identify, and report drug rebate amounts invoiced and received by program and Medicaid Eligibility Group (MEG).</p> <p>The Contractor's solution shall maintain drug rebate data, invoices and correspondence for the duration required to meet the Procuring Agency and Federal regulations and policies.</p> <p>The Contractor's solution shall allow access to claim level drug rebate information on-line.</p> <p>The Contractor's solution shall maintain at a minimum twelve (12) quarters of drug rebate/invoice information to accommodate prior period adjustment processing.</p>
	7.1.21 Receive Data	<p>The Contractor's solution shall maintain a history of pharmacy claims extract which must include all NDC and other data (e.g., period covered, NDC number, total units paid, product) required by the drug manufacturer rebate process.</p> <p>The Contractor's solution shall maintain an electronic file of all paid pharmacy claims and encounters with disputed products (NDC) for the rebate quarter under review to facilitate dispute research and resolution.</p> <p>The Contractor's solution shall accept and store data for physician administered drugs (e.g., J codes), as directed by the Procuring Agency for rebate processing.</p> <p>The Contractor's solution shall capture and store unit rebate amount (URA) data from CMS then calculate and apply any modifications needed when the quantity standards vary between the URA and the claims.</p> <p>The Contractor shall ensure receipt and proper disposition of all rebate-related information from CMS, either received directly from CMS or the Procuring Agency; this requirement includes maintaining appropriate and accurate information pertaining to unit rebate amounts, as well as other data elements necessary for the generation of accurate rebate invoices.</p> <p>The Contractor's solution shall update drug rebate information related to a claim when the claim is updated.</p> <p>The Contractor's solution shall upload external drug rebate data into the reference file (e.g., manufacturer or labeler contact information).</p>

Task Item	Sub Tasks	Description
	7.1.22 CMS Drug Rebate Agreements	<p>The Contractor's solution shall accept and maintain online CMS's current rebate agreement data, including contact information, from the quarterly CMS file.</p> <p>The Contractor's solution shall maintain multiple effective date spans on the drug manufacturer records in the POS system to identify situations where a manufacturer becomes ineligible to participate in the drug rebate program for a period as identified by CMS and the Procuring Agency.</p> <p>The Contractor's solution shall automatically run checks on information against CMS Tape looking for discrepancies such as Manufacturer contact information.</p>
	7.1.23 Communication Management	<p>The Contractor solution shall provide the Procuring Agency with a copy of CMS pharmacy related communications (e.g., manufacturer or labeler code changes, DESI code changes, product deletions, labeler terminations, new manufacturer, or labelers) within three (3) business day of receipt by the Contractor of such information.</p> <p>The Contractor's solution shall automatically generate delinquent letters to manufacturers who have not paid the invoice within thirty-eight (38) days and transmit print files electronically to the Procuring Agency's selected print/mail vendor.</p> <p>The Contractor's solution shall utilize user-defined templates to generate correspondence (notices) to drug manufacturers relating to disputed rebates (e.g., initial acknowledgement, resolution of disputed amounts, details on adjustments to accounts receivable).</p> <p>The Contractor's solution shall generate an electronic notification to the Manufacturer that invoice is available for review and is due within 38 days from the postmark of the invoice.</p> <p>The Contractor's solution shall generate notices to manufacturer requesting Manufacturer's information be confirmed and provide certification that the information has been provided to CMS as part of the requirements to participate in the Medicaid Drug Rebate Program.</p>
	7.1.24 Reporting/Analysis	<p>The Contractor's solution shall create and maintain on-line Drug Rebate reports which allow users to choose from multiple pre-built defined parameters, singularly or in combination, to generate user customized results that help users monitor the daily operations of the Rebate Solution. Online reports shall include historical rebate data and the most current data. Reports shall include but are not limited to: Account Receivable Summary by</p>

Task Item	Sub Tasks	Description
		<p>Manufacturer; Dispute Amount; Dispute Code; Batch Total; Check and Claims Balancing.</p> <p>The Contractor shall produce and maintain all Drug Rebate reports and dashboards (e.g., 64.9R, DRAMS Interest, CMS Report Forms for 64.9, 64.9P, 64.21P, 64.21, 64.9VIII, 64.9VIIP), including out of the box reports, as directed by the Procuring Agency.</p> <p>The Contractor shall produce the CMS64.9R in DRAMS to include all relative information needed for the CMS64 report submission. The Contractor shall provide guidance to the Procuring Agency staff allowing the ability to download the CMS64.9R from DRAMS.</p> <p>The Contractor's solution shall provide control reports to the Procuring Agency to support the tracking of rebate recoveries.</p> <p>The Contractor's solution shall provide the ability to perform ad hoc queries of drug rebate information.</p> <p>The Contractor's solution shall generate reports to support the Procuring Agency role in maintaining awareness of, and accountability for, the status of the rebate accounts.</p> <p>The Contractor's solution shall provide the data to generate a quarterly CMS report indicating drug rebate receivables and automate the Manage Drug Rebate process to reconcile the ending balance of uncollected rebates from the FFS, MCO, MAT- OUD MCO and MAT-OUD FFS reports, and the data should be reported separately on the quarterly CMS-64 report.</p> <p>The Contractor's solution shall generate User-defined reports to monitor the status of invoice or NDC detail (e.g., amount invoiced, outstanding receivables, number of disputes received and resolved, amount collected in disputed and non-disputed items).</p> <p>The Contractor shall coordinate with the Procuring Agency to provide all necessary information, such that all required Procuring Agency and/or Federal reports pertaining to the Procuring Agency's Federal rebate program (e.g., Federal rebates) are submitted within Procuring Agency defined quality and timeliness standards.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall capture and store all data related to drug rebate processing, including historical data, with functionality to easily query and access the data.</p> <p>The Contractor's solution shall provide the capability for the Procuring Agency to access and retrieve drug rebate information electronically in a format defined by the Procuring Agency.</p>
	7.1.24 Reporting/Analysis (continued)	<p>The Contractor's solution shall track drug rebate activities by NDC, by manufacturer, including billing of manufacturers and tracking collection of rebates.</p> <p>The Contractor's solution shall retrieve interest rates, calculation, invoicing, and reporting of interest amounts on outstanding balances related to the drug rebate program.</p> <p>The Contractor's solution shall generate reports to assist in audits.</p> <p>The Contractor's solution shall provide a report for invoices and total dollars that remain in the "hold" state and identify when the invoices will be released.</p> <p>The Contractor's solution shall track, by manufacturer, pharmacy claims for drug rebate reporting.</p> <p>The Contractor's solution shall generate utilization summaries for disputed NDCs and submit to the Procuring Agency.</p> <p>The Contractor's solution shall allow an online query against NDCs, user-defined drug codes, and the CMS rebate amount per unit and retrieve the requested data for online viewing to support the manage drug rebate process.</p>
	7.1.25 Web Portal Access	The Contractor's solution shall allow authorized users to access rebate information and drug file via the web portal.
	7.1.26 Help Desk Support	The Contractor shall provide qualified staff as the primary point of contact for drug manufacturers and their representatives on behalf of the Procuring Agency.
7.2 Security		
	7.2.1 System Security	The Contractor's solution shall supply appropriate safeguards to protect the confidentiality of eligibility information and conform to all Procuring Agency and Federal confidentiality laws, and to ensure that Procuring Agency and Federal HIPAA data security standards are met.

Task Item	Sub Tasks	Description
	7.2.2 Audits	<p>The Contractor’s solution shall structure audit trail records, the fields, how it controls access to audit information and services and provide to the Procuring Agency.</p> <p>The Contractor’s solution shall provide audits of all steps where source documents are reviewed to the point where the document process ends and how it maintains and sends the audit points to the audit service of the SI module.</p> <p>The Contractor shall audit all actions by all Users and all systems, including view only, of the Drug Rebate components.</p>
	7.2.3 System Management	<p>The Contractor shall provide an approach to Drug Rebate configuration that can be updated and expanded to support changing Enterprise needs.</p> <p>The Contractor shall make all system changes necessary to support Drug Rebate processing.</p>
	7.2.4 System Integration	<p>The Contractor’s solution shall integrate with the Enterprise IP for posting and reporting of rebate receipts in FS cash log.</p>
7.3 Configure, Test and Implement Solution		
	7.3.1 Requirements/Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) “To-Be” journeys applicable to the Drug Rebate solution; analyze how the SOW requirements and base solution capabilities support the “To-Be” vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall provide a built-in multi-level rule review and approval process with the Procuring Agency that will validate logic errors, conflicts, redundancy, and incompleteness across business rules to identify any conflicts as they are being configured, tested, and implemented.</p>
	7.3.2 Requirements/Design	<p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective</p>

Task Item	Sub Tasks	Description
		and efficient traceability, JAMA is the requirements management tool for use.
	7.3.3 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>As part of Test Data Preparation, contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>
	7.3.4 Test Execution	<p>The Contractor is expected to perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues</p> <p>Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p>
	7.3.5 UAT	UAT shall be performed by Procuring Agency staff. Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable).
	7.3.6 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release.</p>
	7.3.7 Staff	The Contractor shall maintain the appropriate level of knowledgeable staff who are capable of testing, validating, and documenting operational impacts of changes to the Drug Rebate.
7.4 Training		

Task Item	Sub Tasks	Description
	7.4.1 Training Material	<p>The Contractor shall develop appropriate Drug Rebate training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the Drug Rebate configuration and contents.</p>
	7.4.2 Training	<p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p> <p>The Contractor shall access, plan, develop, implement, and evaluate locally based Provider and Member education initiatives including pharmacy program-specific training and communications to pharmacy Providers, medical Providers and Members.</p>
	7.4.3 Business User Manual	<p>The Contractor shall provide and make available online a Drug Rebate Business User Manual to guide Stakeholder staff with the use of all Drug Rebate components.</p> <p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the Drug Rebate tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p>
	7.4.4 Knowledge Transfer	<p>The Contractor shall provide Drug Rebate solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
7.5 Documents		

Task Item	Sub Tasks	Description
	7.5.1 Drug Rebate Documentation	The Contractor shall collaborate, track, and maintain documentation (e.g., system, project, Provider communication materials, version history) with the Procuring Agency.
	7.5.2 Document Processing	<p>The Contractor's solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>The Contractor's solution shall generate print files and transmit them electronically via the SI to the Procuring Agency's selected print/mail vendor for documents that require printing and distribution.</p>
	7.5.3 System Documentation	<p>The Contractor shall provide and maintain documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports generated by the Drug Rebate (e.g., providing the Procuring Agency with SQL, pseudo code, narrative description, some combination thereof) to document completely the algorithms and formulas used in all reported fields and computed variables, analytic protocols, and assumptions.</p> <p>The Contractor shall provide and maintain current Drug Rebate documentation (e.g., Drug Rebate database schema, data dictionaries, entity-relationship diagrams, complete Drug Rebate architecture and Configuration diagrams, network diagrams, interface standards for the entire Drug Rebate) including those supporting Proprietary Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to provide and maintain all service delivery documentation related to the design of each module/ component and its interaction with other modules/components.</p> <p>The Contractor shall produce and maintain documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p>
7.6 Review and Acceptance		
	7.6.1 Review and Acceptance	The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.
7.7 Manage Agreed Payment Schedule		

Task Item	Sub Tasks	Description
	7.7.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 7 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$278,073.93 upon Procuring Agency approval of 7.3.2 Requirements/Design including NMGRT less \$55,614.79 retainage • \$222,459.14 upon Procuring Agency approval of 7.3.4 Test Execution including NMGRT less \$44,491.83 retainage • \$278,073.93 upon Procuring Agency approval of 7.3.5 User Acceptance Testing (UAT) including NMGRT less \$55,614.79 retainage • \$166,844.36 upon Procuring Agency approval of 7.4 Training including NMGRT less \$33,368.87 retainage • \$166,844.36 upon Procuring Agency approval of 7.6.1 Review and Acceptance including NMGRT less \$33,368.87 retainage

Deliverable 8: Configure, Test and Implement Data Exchange and Reporting Solution

<u>Deliverable Eight</u>	<u>Due Date</u>	<u>Compensation</u>
<p>Configure, Test and Implement Data Exchange and Reporting Solution</p>	<p>No Later Than 07-01-2024</p>	<p>Total Compensation not to exceed \$1,112,295.72 including NMGRT less \$222,459.15 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$278,073.93 upon Procuring Agency approval of 8.1.1 Requirements/Design including NMGRT less \$55,614.79 retainage • Approximately \$222,459.14 upon Procuring Agency approval of 8.1.3 Test Execution including NMGRT less \$44,491.83 retainage • Approximately \$278,073.93 upon Procuring Agency approval of 8.1.4 User Acceptance Testing (UAT) including NMGRT less \$55,614.79 retainage • Approximately \$166,844.36 upon Procuring Agency approval of 8.2 Training including NMGRT less \$33,368.87 retainage • Approximately \$166,844.36 upon Procuring Agency approval of 8.3.1 Review and Acceptance including NMGRT less \$33,368.87 retainage

Task Item	Sub Tasks	Description
8.1 Meet Minimum Data Exchange and Reporting Solution Requirements		
	8.1.1 Document Processing	<p>The Contractor’s solution shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>For documents that require printing and distribution, the Contractor’s solution shall generate print files and transmit them electronically via the SI to the Procuring Agency’s selected print/mail vendor.</p>
	8.1.2 Data Exchange	<p>Except where noted, data shall be sent and received via standard service enablement as described by Deliverable 2.</p> <p>The Contractor’s solution shall provide Extract, Transform and Load (ETL) of all required data and attachments from the Enterprise in accordance with Program, Procuring Agency and Federal policies.</p> <p>The Contractor’s solution shall provide data to the Enterprise to trigger Procuring Agency-defined notifications and alerts (e.g., special payment criteria outside of standard business rules, review</p>

Task Item	Sub Tasks	Description
		<p>and approval, pricing, financial, data contradiction, eligibility segments, payment anomalies, needed rate and risk calculations, data driven events, final budget approvals, approaching budget thresholds, needed budget forecasts, update activities, Procuring Agency-defined financial criteria).</p> <p>The Contractor's solution shall receive Enterprise data including updates (e.g., provider, member, benefit data, rates, codes) used in financial business processes (e.g., claims, pricing, incentive payments, auditing).</p> <p>The Contractor's solution shall develop and maintain data capture formats used to support HIPAA transaction sets pertinent to FS and any relevant business function requested by the Procuring Agency.</p> <p>The Contractor's solution shall test, create, receive, and comply with HIPAA transactions (e.g. ANSI X12N 270/271, ANSI X12N 276/277, ANSI X12N 820, ANSI X12N 834, ANSI X12N 835, ANSI X12N 837) and any paper (e.g., National Uniform Billing Committee [NUBC], National Uniform Claim Committee [NUCC], HCFA 1500, CMS 1500, UB040, ADA) claims.</p> <p>The Contractor's solution shall validate data against Procuring Agency defined business rules.</p> <p>The Contractor's solution shall integrate via the ESB with other internal/external systems to exchange financial data (e.g., collections, disbursements, reconciliation).</p> <p>The Contractor's solution shall provide data for analytics, monitoring, and reporting capabilities (e.g., trends in accounts payable such as, but not limited to, showing increases/decreases and cumulative year-to-date figures after each claims processing cycle) to assist in the management of its business services across all FS functionality.</p> <p>The Contractor's solution shall integrate with the SI for Enterprise document management and data exchange.</p>
	8.1.3 Reporting	<p>The Contractor's solution shall develop, deliver, and maintain business service administration, performance, and reconciliation reports (e.g., workflow activity including volume of work completed, encounter timeliness, average processing time by department, workgroup, individual, document type, accuracy rates, usage rate, and discrepancies from the claim reconciliation process, including claims denied or suspended).</p>

Task Item	Sub Tasks	Description
		<p>The Contractor's solution shall provide authorized Users the ability to run reports available from its service based on user defined criteria (e.g., date range, provider number(s), report type, adjustment reason code).</p> <p>The Contractor's solution shall provide reports in flexible formats for exporting and importing.</p> <p>The Contractor's solution shall provide dashboard capabilities that display real-time reporting with the flexibility to drill down or review different combinations of variables.</p> <p>The Contractor's solution shall retain and provide real-time data for a master set of processes and reports (e.g., audit, Federal required, Procuring Agency required, claims, financial, Payment Error Rate Measurement [PERM] report, member specific, provider specific, CMS 372, CMS 64, CMS 21, CMS 416, Medicaid Eligibility Quality Control [MEQC], Surveillance and Utilization Review [SURS], SURS-type anomaly, OIG, Medicaid Fraud Control Unit [MFCU], drug rebate, Medicaid Statistical Information System (MSIS), Transformed MSIS, Title XIX, Title IV-E, Management and Administrative Reporting (MAR), Healthcare Effectiveness Data and Information Set (HEDIS).</p>
	8.1.4 Web Services	<p>The Contractor's dashboards and data for user interfaces shall be delivered to the Unified Portal and the Consolidated Customer Service Center (CCSC) via standard service enablement as described by Deliverable 2.</p>
	8.1.5 Section 508 Compliance	<p>The Contractor's solution shall comply with Section 508 of the Americans with Disabilities Act.</p> <p>The Contractor shall deliver to the Procuring Agency a complete Section 508 Assessment Package prior to the start of User Acceptance Testing.</p>
	8.1.6 Electronic Data Interchange	<p>The Contractor's solution shall include a HIPAA Translation function with the ability to receive and process all X12 5010 transaction sets except the 278 and to store and utilize all data elements submitted on the HIPAA 837 transaction sets.</p> <p>The Contractor's solution shall include a Trading Partner Management System (TPMS) that will be accessible by CCSC and Contractor staff to enroll and disenroll submitters, identify what transactions submitters are allowed to submit, and their status (test or production).</p>

Task Item	Sub Tasks	Description
	8.1.7 Member Management	<p>The Contractor's solution shall capture and maintain accurate current and historical Enterprise Medicaid and non-Medicaid Member data, while providing the ability for Procuring Agency staff or authorized Users to inquire on and utilize the data.</p> <p>The Contractor's solution shall accept, process, and add real-time eligibility data upon the enhancement of the ASPEN system to produce real-time updates.</p> <p>The Contractor's solution shall provide Medicaid member eligibility and other insurance data to the BHSD STARS system on a daily basis.</p> <p>The Contractor's solution shall create, maintain, track, and update Early and Periodic Screening, Diagnostic and Treatment (EPSDT) records with the ability to trigger generation for initial and follow up EPSDT notices based on Procuring Agency-defined periodicity schedules.</p> <p>The Contractor's solution shall monitor and provide data and metrics on utilization, performance, and outreach for EPSDT Members served by the Managed Care Organization (MCO)s and Fee-For-Service (FFS) members.</p> <p>The Contractor's solution shall incorporate EPSDT records for Members served by MCOs with the FFS members EPSDT data for federal reporting purposes and make such information available to the DS Contractor.</p> <p>The Contractor's solution shall maintain, for each member's EPSDT record, current and historical EPSDT screening results, referrals, diagnoses, and treatments for abnormal conditions identified during the screenings.</p> <p>The Contractor's solution shall provide data to produce and distribute multiple different creditable coverage certificates.</p>
	8.1.8 TPA Interface	<p>The Contractor's solution shall support Utilization Management/Utilization Review (UM/UR) by interfacing with the Procuring Agency's Third-Party Assessor (TPA) contractor and Children's Medical Services, and by maintaining the data and processes required to enforce UM/UR requirements during claim processing.</p> <p>The Contractor's solution shall maintain an interface with the Contractor's Pharmacy Benefits Management (PBM) solution for receipt of approved drug PA records.</p>
	8.1.9 Reference Files	<p>The Contractor's solution shall manage (e.g., obtain, update, archive, share with Enterprise, associate date spans, allow</p>

Task Item	Sub Tasks	Description
		<p>inquiry, report requests, provide code narrative descriptions) reference files or data and use in processing (e.g., HIPAA defined code sets, diagnosis codes, procedure codes, revenue codes, all five Medicaid NCCI methodologies must be incorporated into MMIS).</p> <p>The Contractor's solution shall manage revenue codes and provides online update and inquiry access, including:</p> <ul style="list-style-type: none"> • Coverage information. • Restrictions. • Service limitations. • Automatic error codes. • Pricing data. • Effective dates for all items. <p>The Contractor's solution shall translate ICD-9 codes to ICD-10 and adjust for any future updates based on General Equivalence Mappings (GEMs) crosswalk developed by CMS.</p> <p>The Contractor's solution shall capture and maintain DRG information (e.g., base rates, capital, medical education, weights, average length of stay, outliers).</p> <p>The Contractor's solution shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.</p>
	8.1.10 Clinical Decision Support System	<p>The Contractor's solution shall incorporate and interface separately with the Clinical Decision Support System (CDSS) operated by the incumbent MMIS fiscal agent.</p> <p>The Contractor's solution shall incorporate ETL processes in support of the CDSS as required by changes in MMISR table structures.</p>
8.1 Configure, Test and Implement Solution		
	8.1.1 Requirements/Design	<p>As a prerequisite to beginning requirements analysis and design activities, the Contractor shall conduct a detailed review of the Business Transformation Council (BTC) "To-Be" journeys applicable to the Data Exchange and Reporting solution; analyze how the SOW requirements and base solution capabilities support the "To-Be" vision; and deliver to the Procuring Agency a detailed assessment of how the solution meets BTC journey requirements while identifying potential gaps and remediation options. Further, the Contractor shall structure the Requirements review, traceability, design/configuration, development and</p>

Task Item	Sub Tasks	Description
		<p>testing with a focus on the Procuring Agency Business Processes as documented in the BTC journeys.</p> <p>The Contractor shall construct requirements and design documentation (including configuration) referencing the RFP, details from the Proposal Response, Statement of Work (SOW), and any additional clarification derived throughout the Joint Application Requirements (JAR) sessions. To support effective and efficient traceability, JAMA is the requirements management tool for use.</p>
	8.1.2 Test Planning	<p>The Contractor shall develop an appropriate Test Plan DED and Final Test Plan.</p> <p>The Contractor shall develop Test Scripts (both Functional and Automated) during Test Design phase.</p> <p>As part of Test Data Preparation, contractor shall ensure the use of de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p>
	8.1.3 Test Execution	<p>The Contractor is expected to perform QAT, SIT and Parallel Testing (including associated smoke and regression testing for each of these phases) and provide associated DED and Final Test Results for all testing phases.</p> <p>The Contractor shall own Defect Management (Defect Fixes and Retesting) and provide Root Cause Analysis (RCA) of defects and issues</p> <p>The Contractor shall perform Security Testing using software/tools and share results and audit logs.</p> <p>The Contractor shall perform Load / Volume / Stress Testing using automated load, stress, and volume testing software, repeating benchmark performance tests periodically and prior to any large change to the system that may impact performance.</p>
	8.1.4 UAT	<p>UAT shall be performed by Procuring Agency staff. The Contractor shall support UAT and provide a UAT Support Plan (including a DED and final deliverable).</p>
	8.1.5 System Documentation	<p>The Contractor shall develop and provide Data Exchange and Reporting solution documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material; however, this does not include proprietary information related to Commercial-Off-The-Shelf (COTS) products. The Contractor shall commit to</p>

Task Item	Sub Tasks	Description
		<p>provide and maintain all service delivery documentation related to the design of each module/ component and its interaction with other modules/components.</p> <p>The Contractor shall develop and provide documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall develop and provide documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall provide complete transparency of all data fields in reports and dashboards generated by the Data Exchange and Reporting solution, providing the Procuring Agency with SQL, pseudo code, narrative description, or some combination thereof to document completely the algorithms and formulas used in all reported/displayed fields and computed variables, analytic protocols, and assumptions.</p>
	8.1.6 Production Release	<p>The Contractor shall perform all tasks required to put its services into production in accordance with a mutually agreed-upon release calendar which includes approval process by Procuring Agency. After each schedule release process, the contractor will work with Procuring Agency on the verification of the changes.</p> <p>The Contractor shall provide tested software including documentation prior to close out of each release</p>
8.2 Training		
	8.2.1 Training Material	<p>The Contractor shall develop appropriate Data Exchange and Reporting training documentation, in accordance with CMS EPLC requirements.</p> <p>The Contractor shall provide training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help).</p> <p>The Contractor shall provide content and materials in agreed upon formats (e.g., on-line, printed) with Procuring Agency approval for each training tailored to the FS configuration and contents.</p>
	8.2.2 Business User Manual	<p>The Contractor shall provide and make available online a Data Exchange and Reporting Business User Manual to guide Stakeholder staff with the use of all FS components.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall provide online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and documentation that supports Stakeholder-specific business use of the FS tools and provides guidance to end Users in correct execution of User-performed application maintenance and report configuration activities.</p> <p>The Contractor shall provide the Business User Manual no less than thirty (30) days prior to User Acceptance Testing (UAT).</p>
	8.2.3 Knowledge Transfer	<p>The Contractor shall provide Data Exchange and Reporting solution training and knowledge transfer to the Stakeholders as required.</p> <p>The Contractor shall provide initial and ongoing training and documentation for knowledge transfer to ensure appropriate and maximal use by Users.</p> <p>The Contractor shall provide for instructor-led (either online or on site) and on-demand, self-paced training.</p>
8.3 Review and Acceptance		
	8.3.1 Review and Acceptance	<p>The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.</p>
8.4 Manage Agreed Payment Schedule		
	8.4.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 8 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$278,073.93 upon Procuring Agency approval of 8.1.1 Requirements/Design including NMGRT less \$55,614.79 retainage • \$222,459.14 upon Procuring Agency approval of 8.1.3 Test Execution including NMGRT less \$44,491.83 retainage • \$278,073.93 upon Procuring Agency approval of 8.1.4 User Acceptance Testing (UAT) including NMGRT less \$55,614.79 retainage • \$166,844.36 upon Procuring Agency approval of 8.2 Training including NMGRT less \$33,368.87 retainage • \$166,844.36 upon Procuring Agency approval of 8.3.1 Review and Acceptance including NMGRT less \$33,368.87 retainage

Deliverable 9: MMIS Certification

<u>Deliverable Nine</u>	<u>Due Date</u>	<u>Compensation</u>
MMIS Certification	No Later Than 12-02-2024	<p>Total Compensation not to exceed \$1,003,615.68 including NMGR less \$200,723.12 retainage to be paid upon invoice according to the following schedule:</p> <ul style="list-style-type: none"> • Approximately \$250,903.92 upon Procuring Agency approval of Operational Readiness Reviewed Artifacts including NMGR less \$50,180.78 retainage • Approximately \$250,903.92 upon Procuring Agency approval of Certification Artifacts including NMGR less \$50,180.78 retainage • Approximately \$250,903.92 upon Procuring Agency approval of Certification Review including NMGR less \$50,180.78 retainage • Approximately \$250,903.92 upon Procuring Agency approval of CMS Certification including NMGR less \$50,180.78 retainage

Task Item	Sub Tasks	Description
9.1 Certification Planning		
	9.1.1 Compliance	The Contractor’s solution and services shall comply with the CMS Seven Conditions and Standards and comply with Procuring Agency and/or Federal system certification requirements. The Contractor shall perform all services necessary to fully configure FS and comply with all of the relevant Outcomes Based Certification (OBC) requirements to support attainment of CMS Certification or other oversight certification.
	9.1.2 Evaluation Criteria and Evidence	The Contractor shall work with the Procuring Agency to develop, refine, and reach agreement on the Evaluation Criteria and the supporting Required Evidence needed to demonstrate that the FS module meets the qualifications for certification with CMS.
	9.1.3 Key Performance Indicators	The Contractor shall work with the Procuring Agency to develop, refine, and reach agreement on the Key Performance Indicators (KPIs) that the Contractor will calculate quarterly and/or annually as needed and provide to the Procuring Agency so they can be reported to CMS. The Contractor may need to provide the raw numbers used in the calculations and/or explain the calculations.
9.2 Prepare Required Artifacts		
	9.2.1 Operational Readiness Review	The Contractor will prepare the artifacts required by CMS for the Operational Readiness Review (ORR), including but not limited

Task Item	Sub Tasks	Description
	Artifacts	<p>to monthly project status reports showing the health of the project; the Master Test Plan and test results; the Deployment Plan; the Defect and Risk List; and an Independent Security Audit.</p> <p>In conformance with CMS expectations, monthly project status reports shall include the following elements:</p> <ul style="list-style-type: none"> • Roadmap - A product roadmap identifying current, planned, and future functionality and milestones. • Progress Tracking - A regular report measuring developmental progress and progress towards achieving outcomes. • User Feedback - A reporting showing how user feedback is regularly incorporated into development. • Defect and Risk List - Known defects and risks that may cause delays and any mitigations or workarounds. • Product Demos – Documentation of any demonstrations of functionality/features or a regular report of code/feature releases. • Testing Process - A documented testing process aligned with CMS <i>Testing Guidance Framework</i>. <p>In conformance with CMS expectations, the test plan and test results shall:</p> <ul style="list-style-type: none"> • Be informed by the <i>Testing Guidance Framework</i> document, which lists a set of testing expectations and recommendations for the Medicaid Enterprise System (MES). • Describe the details for how and what testing will occur and provide for test results throughout the DDI phase and leading up to the ORR. • Validate the iterative delivery of system functionality and confirm that the system will produce metrics associated with outcomes. • Be as automated and self-documenting as possible (e.g., continuous unit testing). • Shall be mapped to functionality, with an acceptance testing report for each user story/use case. <p>In conformance with CMS expectations, the Deployment Plan shall meet the following criteria:</p> <ul style="list-style-type: none"> • Release and deployment of a new/updated module agreed upon by all stakeholders. • Verified compatibility between all the related assets and

Task Item	Sub Tasks	Description
		<p>service components within each release package.</p> <ul style="list-style-type: none"> • Via the configuration management process in place, verification that the integrity of release packages and their constituent components are maintained throughout the transition activities. • Definition of how release and deployment packages can be tracked, installed, tested, verified, and/or uninstalled or backed out, if appropriate. • Definition of how deviations, risks, and issues related to the new or updated module are recorded and how corrective actions are ensured. • Definition of how the transfer of knowledge will occur to enable end users to optimize their use of the new/updated module to support their business activities. • Definition of how the skills and knowledge will be transferred to operations staff to enable them to effectively and efficiently deliver, support, and maintain the new/updated module according to the documented Service Level Agreements (SLAs). <p>In conformance with CMS expectations, the Defect and Risk List shall include a current defect list, with the frequency, severity (inclusive of all critical and high defects), and associated implementation timelines. Defect entries shall include information about the operational impact. Risks should be accompanied by a mitigation/resolution or a risk acceptance statement.</p> <p>In conformance with CMS expectations, the Independent Security Audit reports shall cover compliance with the following:</p> <ul style="list-style-type: none"> • NIST SP 800-171 and/or NIST SP 800-53 standards and all relevant controls in HIPAA. • Aligning Health Care Industry Security Approaches pursuant to Cybersecurity Act of 2015, Section 405(d). • The Open Web Application Security Project Top 10. <p>Security risks documented in the audit report shall be identified using NIST SP 800-30 Revision 1. The audit shall include, but need not be limited to, a penetration test; a review of all HIPAA compliance areas; user authentication; information disclosure; audit trails; data transfers; and information on correct data use (role-based testing of use). The audit shall cover adequate audit trails and logs (ID, access level, action performed, etc.). The audit should also cover encryption of data at rest, in audit logs, and in</p>

Task Item	Sub Tasks	Description
		transit between workstations and mobile devices (where applicable), to external locations, and to offline storage.
	9.2.2 Certification Review Artifacts	The Contractor shall prepare the artifacts required by CMS for the Certification Review (CR) and in conformance with CMS expectations, including but not limited to monthly project status reports showing the health of the project; the Master Test Plan and test results; and the Defect and Risk List.
9.3 Certification Reviews		
	9.3.1 Preparation for the Certification Reviews	<p>Contractor will, with Procuring Agency collaboration, perform the following activities through the entire CMS MMIS certification process:</p> <ul style="list-style-type: none"> • Ensure that the FS module meets CMS certification requirements and complies with the Procuring Agency's Certification Plan. • For the ORR, comply with applicable Outcomes Based Certification (OBC) Evaluation Criteria and provide their related Required Evidence. • For the Certification Review, prepare the Key Performance Indicators (KPIs) prior to the review. • Provide the necessary artifacts and evidence for CMS certification reviews as defined in the Procuring Agency's Certification Plan and as outlined here. • Work with the Procuring Agency to review the artifacts and evidence and update the documentation if needed. • As part of weekly and monthly status report, provide update on FS Certification activities. • Resolve issues that prevent the Procuring Agency from receiving certification based upon components of the FS Module.
	9.3.2 Support During the Certification Reviews	<p>Contractor will perform the following activities during all of Certification Reviews:</p> <ul style="list-style-type: none"> • Coordinate, participate in, and prepare for FS Certification activities. • Respond to questions from the Procuring Agency, IV&V, or CMS and CMS contractors such as MITRE for FS components and services. • Participate in and provide demonstrations as needed for Certification reviews.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Provide follow-up documentation for action items from CMS and MITRE to ensure that the Procuring Agency will receive final certification. <p>The Contractor shall receive final certification for the FS components and services.</p>
9.4 Review and Acceptance		
	9.4.1 Review and Acceptance	Contractor will deliver assessments, documentation, and recommendations for review and acceptance by Procuring Agency.
9.5 Manage Agreed Payment Schedule		
	9.5.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall invoice the Procuring Agency for the following percentages of Deliverable 9 compensation, less retainage as provided for by Article 3, upon approval of the following subtasks:</p> <ul style="list-style-type: none"> • \$250,903.92 upon Procuring Agency approval of Operational Readiness Reviewed Artifacts including NMGRT less \$50,180.78 retainage • \$250,903.92 upon Procuring Agency approval of Certification Artifacts including NMGRT less \$50,180.78 retainage • \$250,903.92 upon Procuring Agency approval of Certification Review including NMGRT less \$50,180.78 retainage • \$250,903.92 upon Procuring Agency approval of CMS Certification including NMGRT less \$50,180.78 retainage

Deliverable 10: Business Continuity and Disaster Recovery

<u>Deliverable Ten</u>	<u>Due Date</u>	<u>Compensation</u>
Business Continuity and Disaster Recovery	Start: 05-01-2024 End: 06-30-2026	Total Compensation \$0.00

Task Item	Sub Tasks	Description
10.1 Develop and Implement Plans		
	10.1.1 Business Continuity	<p>The Contractor shall develop, document, coordinate and implement a comprehensive Business Continuity Plan that complies with Procuring Agency and Federal standards, integrates with the System Integrator (SI) Contractor's consolidated Business Continuity and Recovery plan and process, and performs the following:</p> <ul style="list-style-type: none"> • Identifies essential organizational missions and business functions and associated contingency requirements. • Provides recovery objectives, restoration priorities, and metrics. • Addresses contingency roles, responsibilities, assigned individuals with contact information. • Addresses maintaining essential organizational missions and business functions despite an information system disruption, compromise, or failure. • Addresses eventual, full information system restoration without deterioration of the security safeguards originally planned and implemented.
	10.1.2 Disaster Recovery	<p>The Contractor shall develop, document, coordinate and implement a comprehensive Disaster Recovery Plan that both integrates with the SI Contractor's consolidated Business Continuity and Disaster Recovery plan and process and commits the Contractor to the following:</p> <ul style="list-style-type: none"> • Performance and storage of incremental and full system backups in accordance with Procuring Agency backup and retention policies. • Development, documentation, coordination, and implementation of a comprehensive Disaster Recovery Plan that includes a secondary DR site. This Plan must address all CMS, DoIT, HSD and other applicable Procuring Agency requirements. • Performance and management of all system backup activities in accordance with the Procuring Agency's policies and requirements, including regular testing of restore procedures

Task Item	Sub Tasks	Description
		<p>and performing capacity management related to backup files.</p> <ul style="list-style-type: none"> • Plan and lead an end-to-end disaster recovery exercise for all FS components at least annually and participate in the Enterprise end-to-end disaster recovery exercise that includes failover of all components. • Compliance with Procuring Agency and Federal document retention requirements. • Maintenance of a secure and fully replicated recovery version of its Solution at the Procuring Agency’s non-production data center. • Disaster avoidance, critical partner communications, execution of appropriate business continuity and disaster recovery activities upon discovery of a failure. • Timely recovery after a failure, with the ability to successfully roll back to a previous state based upon Procuring Agency-defined timelines. • Use of all necessary means to recover or generate lost system data (at Contractor’s expense) as soon as possible, but no later than one (1) calendar day from the date the Contractor learns of a loss. • Meeting Recovery Point Objectives (RPO), as defined by the Procuring Agency, to ensure that no data within the RPO window will be lost. • Meeting Recovery Time Objectives (RTO), as defined by the Procuring Agency, to ensure that its Solution is available within that timeframe. • The BCP must comply with CMS requirements and the SLAs defined in Exhibit C - Performance Measures.
10.2 Review and Acceptance		
	10.2.1 Review and Acceptance	The Contractor will deliver implementations, results, and documentation for review and acceptance by Procuring Agency.
10.3 Manage Agreed Payment Schedule		
	10.3.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – June 30, 2024 \$0.00 Base Year 3 July 1, 2024 – June 30, 2025 \$0.00 Base Year 4 July 1, 2025 – June 30, 2026 \$0.00</p>

Deliverable 11: Provide and Manage Financial Processing Services

<u>Deliverable Eleven</u>	<u>Due Date</u>	<u>Compensation</u>
Provide and Manage Financial Processing Services	Beginning upon acceptance of Deliverable 3 through 06-30-2026	Total Compensation not to exceed \$6,642,131.62 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> \$255,466.62 per month including NMGRT

Task Item	Sub Tasks	Description
11.1 Operate Financial Processing Solution		
	11.1.1 Ongoing Operations	Following implementation of the Financial Processing solution as required by Deliverable 3, the Contractor shall operate the solution as implemented and enhanced.
	11.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.
	11.1.3 Data	The Contractor shall prevent deletion or damage of FS data. The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements. The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.
	11.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the Financial Processing solution.
	11.1.5 Integration with SI	The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor. The Contractor shall integrate its services with the SI's Integration Platform. The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.
11.2 Maintain and Modify Financial Processing Solution		
	11.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.

Task Item	Sub Tasks	Description
	11.2.2 Configuration Changes and Other Modifications	<p>The Contractor shall perform all configuration necessary to maintain and modify the Financial Processing solution to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements and updates to the Financial Processing solution, workflows (within FS and across modules and stakeholders via the INTEGRATED PLATFORM) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the Procuring Agency and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	11.2.3 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the Financial Processing solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the Financial Processing solution.</p> <p>The Contractor must provide Accounting and Fiscal Agency and Billing and Payment Receipts SMEs who have experience and knowledge of accounting standards and processes to assure Enterprise requirements Service Level Agreements (SLAs) and Key Performance Indicators (KPIs) are achieved.</p>
	11.2.4 Testing	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis "what if" testing environment that mirrors production, for testing of any proposed business rule or configuration.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p> <p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	<p>11.2.5 Access to Work Products and Systems</p>	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>
	<p>11.2.6 System Documentation</p>	<p>The Contractor shall maintain and provide updates for Financial Processing documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the Financial Processing solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.</p>

Task Item	Sub Tasks	Description
	11.2.7 Transitioning of Subcontractors	When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlining Roles and responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.
11.3 Financial Processing Services		
	11.3.1 Document Processing	The Contractor shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing.
	11.3.2 Payment Processing	<p>The Contractor shall manually or automatically generate and process advance disbursements and payments (e.g., gross payables in advance of claims disbursements and payments, timed gross adjustment recoveries spread over time, adjustment recoveries as percentages or fixed amounts).</p> <p>The Contractor shall maintain a payment hold on payees by reason (e.g., determined to be out of cost report compliance, change of ownership, voluntary closure, are subject to liens and court orders, are out of compliance with Enterprise program policies and procedures).</p> <p>The Contractor shall notify the Procuring Agency of any backup withholding dollars for transmission by the Procuring Agency to the IRS.</p> <p>The Contractor shall accurately and timely generate automatic or manual disbursements and payments for provider, vendor member, insurance carrier or other non-provider populations based on approved documentation (e.g., adjudicated claim, invoice, accounting transaction request) in accordance with program, Procuring Agency and Federal policies and guidelines (e.g., primary care case managers [PCCM], Tribal Health Centers, Federally Qualified Health Center [FQHC], beneficiaries, retroactive fee-for-service [FFS] Disbursements and Payments to MCOs, foster care and home help, counties, school based services, public health clinics or any other contractual relationships, Prospective Payments not based on claims, capitation, lump sum delivery, DSH, incentive Disbursements and Payments).</p> <p>The Contractor shall process payment exceptions and special cases (e.g., User-definable financial thresholds for contracts and</p>

Task Item	Sub Tasks	Description
		<p>budgets, application of Medicaid Upper Payment Limits to payments, suppression of payment generation for Enterprise-controlled facilities and school-based Providers while identifying expenditures for budget reconciliation, "wrapping" or supplementing monthly clinic payments made to Medicaid clinic Providers such as Rural Health Clinic [RHC] and Federally Qualified Health Centers [FQHC], suppress printing or transmitting zero balance payments while producing a remittance advice) as directed by the Procuring Agency.</p> <p>The Contractor shall create and send an Automated Clearing House (ACH) file to the Procuring Agency's bank in order to support Electronic Funds Transfer (EFT) and a payment file to the Procuring Agency for printing of paper warrants (checks) for those entities that are not set up for EFT.</p> <p>The Contractor shall make EFT payments in compliance with the requirements of Phase 2 of the HIPAA Operating Rules for Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) [EFT/ERA] transactions.</p> <p>The Contractor shall enter, use, and record all applicable dates (e.g., receipt, effective, posted) for distribution of all collections (e.g., maintains a history of claim recovery payments in excess of expenditures and allows distribution to the appropriate parties, including providers, Members, or insurers) and recompute if appropriate.</p> <p>The Contractor shall identify, track, maintain, verify, adjust, test and report W2 and 1099 information for Providers, vendors, and other payees as applicable to maintain compliance with appropriate W2 and 1099 regulations.</p> <p>The Contractor shall capture, track, and provide detailed data on all specialty payments (e.g., gross adjustments, custody medical, waiver programs).</p> <p>The Contractor shall provide and transmit unclaimed funds data to the Enterprise containing the applicable information (e.g., stale-dated checks, disbursements on address hold, receipts on distribution hold, unidentified receipts).</p> <p>The Contractor shall produce, maintain, and provide, to the Enterprise, all Federal and Procuring Agency tax forms, reports, and data.</p>
	11.3.4 Remittance Advices and REOMBs	The Contractor shall produce remittance advices (RAs) and make them available via the Unified Portal. If required, the Contractor

Task Item	Sub Tasks	Description
		<p>shall send RA print files electronically to the Procuring Agency's selected print/mail vendor for distribution to selected providers.</p> <p>The Contractor shall generate electronic remittance advices in a HIPAA approved X12 835 format for providers who request them.</p> <p>The Contractor shall generate the ANSI ASC X12 Premium Payment Order/Remittance Advice 820 format for Managed Care Organizations.</p> <p>The Contractor shall generate Recipient Explanation of Medicaid Benefits (REOMBs), as defined by the Procuring Agency, and send print files electronically to the Procuring Agency's selected print/mail vendor for distribution.</p> <p>The Contractor shall add, modify, and maintain messages, message codes and configurable message business rules (REOMB and RA) in real time.</p>
	<p>11.3.5 Financial Transactions</p>	<p>The Contractor shall initiate and approve receipt adjustments (both automatic and by authorized users) and multiple adjustments to a single receipt (e.g., claim id, case number, receipt date, payment source, amount).</p> <p>The Contractor shall link specific re-adjudicated claims to specified balances and to determine net balance for the re-adjudicated claims.</p> <p>The Contractor shall manage accounts payable and receivable transactions including but not limited to:</p> <ul style="list-style-type: none"> • Automatically, or by authorized user, create accounts payable and receivable for any type of payee (multiple for the same payee as appropriate), that are based on a system or authorized user selection of claims or other transactions, to collect vendor or provider cost share for a service, when net transaction of payments and financial transactions results in a negative amount and establish a user-created AR account and associate a user defined reason to that account; • Allow creation of AR that can be adjusted to reflect a percentage, scheduled amount to be paid or other criteria; • Track and provide user defined aging criteria for AP and AR, identify open aging ARs based upon Enterprise configurable rules and refer such ARs for follow up for compliance with Procuring Agency and Federal regulations;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Establish, monitor, and maintain receivable balances for each payee and provide information to the Enterprise through reports and/or submission of electronic files, as defined by the Procuring Agency. • Allow easy online access to outstanding account summary information; • Reduce the amount of open AR by applying claim or other payment amounts to the debt and automatically adjust AR when recoupment is realized; • Create an AR when void processes are performed, and the debt cannot be satisfied by the current payment amount; • Provide the capability to allow the transfer of AR when providers go through change of ownership or other legal restructuring; • Create hierarchy(s) for resolution of ARs based on Enterprise defined rules; • Allow the development of a schedule for each adjustment event; • Allow scheduled payments from a payee based on percentages, set payment amounts or other criteria relating to the total amount owed; • Allow for netting of payments, based upon Enterprise configurable rules, against credit balances or account receivable amounts due in the payment cycle in determining the payment due and for future claims to hit against any AR uncollected accounts; and • Ensuring that the status and date on the claim aligns with the status and date of a payment. <p>The Contractor shall conduct AR activities according to Enterprise rules.</p> <p>The Contractor shall accept, and process Accounting Transaction Requests (ATRs) received online from authorized Procuring Agency users.</p> <p>The Contractor shall process, with proper authorization and documentation, financial transactions, including advances, cost settlements, gross level payouts to providers; including but not limited to:</p> <ul style="list-style-type: none"> • Disproportionate share and related payments, per business rules;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Update of cumulative totals by applying all payments and recoupment, including those resulting from cost settlements and manual warrants; and • Capture non claim specific recoupments including but not limited to FQHC settlements, Program Integrity (PI) recoveries and appeal recoveries, as specified by Procuring Agency and Federal rules and policies. <p>The Contractor shall process payments from Providers for refunds and updates records (e.g., history, original claim).</p> <p>The Contractor shall perform the following "for claim", "Provider or Vendor-specific" or "Member-specific" and "non-specific" financial transactions and communicate such activities with the Enterprise, including but not limited to:</p> <ul style="list-style-type: none"> • Submit gross or single transaction adjustments; • Perform mass and individual financial adjustments; • Accept returned financial transactions; • Void payments issued by voiding or cancelling outstanding checks and/or rejected EFTs and adjusting associated claims according to Enterprise direction, crediting fund source accounts and creating accounts receivable or credit balances where appropriate; • Reissue payments as appropriate and update records with new warrant or other payment type information; • Issue manual or automated payments; • Accept and receipt payments received; • Transfer, void, split payments received between multiple financial codes, claims and accounts receivables; • Suspend or hold a payment or group of payments based on user defined criteria (e.g., fraud or willful misrepresentation); • Automatically reverse all related financial transactions, as appropriate, upon entry of any voided entry; • Perform mass and individual recoupments and withholds based on various selection (e.g., provider, member, lien, cost settlement) and methodology criteria (e.g., percentage, flat rate, payback plan) until outstanding balance is satisfied; • Process replacements for lost or stolen warrants and update records with new warrant information; • Process provider refunds; • Accept returned payments and void previous related transactions;

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Automatically notify vendors, providers, members, or Enterprise users of the change to include appropriate claim or other appropriate detail; • Designates portions of claim amounts collected to reimburse CMS and the Procuring Agency with any remainder paid to the recipient of the original payment; • Suppress notification of vendors, providers, members, or Enterprise users if authorized and is allowed by program rules; and • Perform any necessary next appropriate actions. <p>The Contractor shall verify, validate, and resolve errors around all financial activities entered into or processed by the FS system including but not limited to:</p> <ul style="list-style-type: none"> • Payment data entered using Enterprise defined business rule logic (e.g., COS matching, Program Code, Reason Code, Account Code Assignment, FMAP/FFP assignment); • Adjustments and mass adjustments; • Resolutions of payment errors; • Transactions requests (e.g., accounts receivable, accounts payable adjustments prior to processing a transaction); and • EFT and warrants and other payment types are issued only to the correct payee account. <p>The Contractor shall produce claim data (e.g., summary, and individual provider payments) with provider-specific information to support AP and AR processes where the claim payment detail amounts are equal to the total payment request amount.</p>
	11.3.6 Billing and Collections	<p>The Contractor shall review financial information (e.g., outstanding accounts receivables, outstanding payables) for payees for whom bankruptcy notices are received either directly or as referred by the Procuring Agency.</p> <p>The Contractor shall check on the status of bankruptcy cases in accordance with the Procuring Agency defined review schedule and take appropriate follow-up action as the status changes.</p> <p>The Contractor shall identify and collect outstanding receivables directly from providers when netting procedures are not possible, or appropriate, using configurable business rules.</p> <p>The Contractor shall manage the payment offset process to collect receivables, such as recovering from provider future payments</p>

Task Item	Sub Tasks	Description
		<p>(e.g., claims, prospective payments, supplemental payment reconciliation) when not disputed.</p> <p>The Contractor shall identify, collect, and report by category multiple receivable categories (e.g., TPL, audit, overpayments, fraud, escrow, cost report reconciliation balance, supplemental payment reconciliation balance).</p> <p>The Contractor shall identify and refer accounts to the Enterprise that are uncollectable or have not been satisfied per agreed upon payment plans or other mechanisms established to satisfy account receivable.</p> <p>The Contractor shall identify providers with no activity, Out of Business Provider/aged receivables to identify uncollectable and potentially uncollectable receivables to reclaim Federal share.</p> <p>The Contractor shall generate appropriate backup documentation and responses, for the Procuring Agency's use, in reclaiming FFP (on the CMS-64) in those instances in which previously returned FFP on uncollectible accounts receivable become eligible for repayment to the Procuring Agency.</p> <p>The Contractor shall identify, record, and maintain payment receipts with related types and update source codes (e.g., SSA, Lump Sum) and/or method of collection(s) with the appropriate status (e.g., suspense, unidentified).</p> <p>The Contractor shall apply full and partial payments (both automatic and by authorized users) to satisfy collection of debt according to Procuring Agency rules or as directed by the Procuring Agency.</p> <p>The Contractor shall support a repository to maintain check receipts with Enterprise access that tracks and reports existing cases, AR/AP, overpayments, and Enterprise originated invoices (e.g., check numbers, payer, payee, date, amount, memo).</p> <p>The Contractor shall log cash and checks, monitoring cash and checks from receipt to accounting/application of that receipt and maintaining security throughout the process.</p> <p>The Contractor shall associate payment receipt data to the documentation and/or associated data of the billing instrument (e.g., collection, bill, invoice).</p> <p>The Contractor shall provide data to report garnishments of a provider's payment.</p>

Task Item	Sub Tasks	Description
	11.3.7 Accounting Detail and Interfaces	<p>The Contractor shall collaborate with the Procuring Agency and its designees to develop financial management procedures that implement the Procuring Agency approved rules and processes for:</p> <ul style="list-style-type: none"> • Financial transactions, payments and refunds processed by the FS; • Segregating all transactions involving expenses by Procuring Agency and Federal fiscal years; • Recording financial transactions appropriately and in accordance with Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB) in the accounting records managed by FS; • Coordinating activities with Procuring Agency financial units and all vendors responsible for handling finances on behalf of the Procuring Agency; • Ensure correct disposition of financial transactions; • Disburse and distribute funds timely and appropriately; • Provide documentation to Enterprise Users, Providers, Vendors, Members as appropriate; • Maintain enough information in transactions to allow for cash, accrual, and modified accrual basis; and • Integrate quality improvement for financial processes through collaboration with Enterprise stakeholders. <p>The Contractor shall manage, reconcile, and balance various types of accounts and financial activities at periodic intervals and generate all appropriate adjustments to support data reconciliation of various accounting systems while ensuring retroactive changes do not change periodic closing totals but retains them while reflecting revised totals. Reconciliations include, but are not limited to:</p> <ul style="list-style-type: none"> • Monthly bills/invoices from vendors (e.g., Process Servers, Genetic Testing (GT) Vendors, value-based payments, etc.); • Budget and expenditures to grant authorizations and Federal draws using Procuring Agency and Federal Budget categories; • Payment accounts by funding source; • Received and transferred funds; • Weekly check write or warrant write amounts; • Liens and garnishments; • Receipts against repositories; and

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Financial reports to transactions and transaction sources (e.g., CMS 64). <p>The Contractor shall create, report, and transmit daily transactions to the Enterprise (e.g., warrants [EFT/printed], direct deposit, debit cards, AR/AP adjustments).</p> <p>The Contractor shall generate the required files to SHARE and ASD, to include at a minimum:</p> <ul style="list-style-type: none"> • a Chartfield Analysis (EFT) file to ASD to report ACH payments by account • a Chartfield Analysis (Non-EFT) file and sends to ASD to report Warrant Payments by account • a Non-Disbursements file a file for ASD to record any non-payment related transactions not included in the warrant or EFT file. <p>The Contractor shall provide financial data (e.g., claims, accounts receivable, payments, dispositions, distributions, recoveries) to other Enterprise systems for their internal use and with their required data fields and format.</p>
	<p>11.3.8 Audits</p>	<p>The Contractor shall accommodate audits and on-site inspections by the State of New Mexico, the Procuring Agency Auditor, CMS, the U.S. Comptroller General, the U.S. General Accounting Office, or their authorized representatives.</p> <p>The Contractor shall provide SME assistance to the Enterprise in researching PI and audit discrepancies and findings.</p> <p>The Contractor shall provide support for hearings, legal cases, audit, inquiries, and other studies as required, including testifying, attending meetings or other scheduled events, responding to subpoenas as directed by the Procuring Agency, and providing other documentation as required.</p> <p>The Contractor shall provide, through an independent contractor, an in-depth electronic data processing (EDP) audit of internal controls in accordance with the Auditing Standards Board’s “Statements on Standards for Attestation Engagements No. 16” (SSAE 16), a formal written report of which shall be provided to the Procuring Agency no later than August 15 following each Procuring Agency Fiscal Year or portion thereof that the contractor provides operational services.</p> <p>The Contractor shall provide data for audits and cost settlements for those providers that receive cost-based reimbursement or negotiated rates (e.g., incentive payments, hospitals, Nursing</p>

Task Item	Sub Tasks	Description
		Facilities [NF], Rural Health Clinics [RHC], Federally Qualified Health Centers [FQHC]).
11.4 Review and Acceptance		
	11.4.1 Review and Acceptance	The Contractor shall deliver a monthly Maintenance and Operations report for review and acceptance by the Procuring Agency.
11.5 Manage Agreed Payment Schedule		
	11.5.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$255,466.62 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$255,466.62 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$255,466.62</p>

Deliverable 12: Provide and Manage Claims Services

<u>Deliverable Twelve</u>	<u>Due Date</u>	<u>Compensation</u>
Provide and Manage Claims Services	Beginning upon acceptance of Deliverable 4 through 06-30-2026	<p>Total Compensation not to exceed \$18,290,956.27 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$690,361.67 per month including NMGRT through 6/30/2024. • \$701,746.76 per month including NMGRT from 7/1/2024 through 6/30/2025. • \$255,466.62 per month including NMGRT 7/1/2025 through 6/30/2026.

Task Item	Sub Tasks	Description
12.1 Operate Claims Processing Solution		
	12.1.1 Ongoing Operations	Following implementation of the Claim Processing solution as required by Deliverable 4, the Contractor shall operate the solution as implemented and enhanced.
	12.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.
	12.1.3 Data	<p>The Contractor shall prevent deletion or damage of FS data.</p> <p>The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements.</p> <p>The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.</p>
	12.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the Claim Processing solution.
	12.1.5 Integration with SI	<p>The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor.</p> <p>The Contractor shall integrate its services with the SI's Integration Platform.</p> <p>The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.</p>
12.2 Maintain and Modify Claim Processing Solution		

Task Item	Sub Tasks	Description
	12.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.
	12.2.2 Configuration Changes and Other Modifications	<p>The Contractor shall perform all configuration necessary to maintain and modify the Claim Processing solution to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements and updates to the Claim Processing solution, workflows (within FS and across modules and stakeholders via the Integrated Platform) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the Procuring Agency and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	12.2.3 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the Claim Processing solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the Claim Processing solution. Claim Processing SMEs may be asked to assist in performing associated tasks across the Enterprise.</p> <p>The Contractor must provide Claim Processing SMEs with experience and knowledge of medical and non-medical claims, including timesheet, electronic visit verification (EVV) integration and invoice generated HIPAA 837 transactions, standards, and processes across multiple programs to assure Enterprise requirements, SLAs and KPIs are achieved.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor must provide a Claim Processing SME who is a Certified Professional Coder (American Health Information Management Association [AHIMA] Certified Coding Specialist-Physician-based [CCS-P[®]] equivalent or better with all aspects of coding; HCPCS, CPT, ICD 10 Dx, ICD 10 Surgical Procedure Coding and Modifier usage. Claim Processing SME must be available to Procuring Agency staff as needed.</p>
	<p>12.2.4 Testing</p>	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis "what if" testing environment that mirrors production, for testing of any proposed business rule or configuration.</p> <p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p> <p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	<p>12.2.5 Access to Work Products and Systems</p>	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>
	<p>12.2.6 System Documentation</p>	<p>The Contractor shall maintain and provide updates (ensure system changes are documented) for Claim Processing documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material (e.g., Palco, Fiserv) and ensure system changes are documented.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception</p>

Task Item	Sub Tasks	Description
		<p>handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the Claim Processing solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.</p> <p>The Contractor’s documentation must be:</p> <ul style="list-style-type: none"> • Easy to interpret by Procuring Agency staff; • Easy to follow; • Available to Procuring Agency staff at any time; • Provide Procuring Agency staff a better understanding of the system’s claims processing, pricing methodologies, edits, etc.; • In clearly defined sections for easy and quick reference; and • Based upon Procuring Agency staff SME input in collaboration with Coding SME regarding the policy and benefit side and the outcome of the new edits.
	12.2.7 Transitioning of Subcontractors	<p>When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlining Roles and responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.</p>
12.3 Claims Processing Services		
	12.3.1 Fiscal Agent	<p>The Contractor shall operate as the Fiscal Agent for claims services including at a minimum:</p> <p>Account Code Processing</p> <p>Adjustment Processing</p> <ul style="list-style-type: none"> • Automatic Adjustments • History Only Adjustments • Mass Adjustments

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Recovery Adjustments • Requests or reconsiderations <p>Claims Ingestion Processing</p> <p>Claim Inquiry Processing</p> <p>Integration</p> <ul style="list-style-type: none"> • EDM Integration • Data Sharing via Service Catalog • Encounter Integration <p>Automated Pricing (Claims and Encounters) with Procuring Agency defined exceptions (e.g., medical claim lines billed using miscellaneous/unlisted surgical procedure codes that will require the review by staff of the medical records to determine accuracy of coding and to determine reimbursement, some codes provided in the annual HCPCS coding update have established fee schedules and may have to be reviewed to determine reimbursement based on several criteria prior to implementation.)</p> <p>Business Rules Engine Configuration Management specific to Fee for Service Claims and Encounter processing:</p> <ul style="list-style-type: none"> • Adjudication Rules Management • Claim Payment Rules Management • Adjudication Hierarchy Management • Non-standard Adjudication Management • Automatic Claims Generation Management • Edit and Error Code Management such as: <ul style="list-style-type: none"> • Dental claim edits • Format edits • Program Policy edits • Facility edits • Reference edits • Limits, Conflicts and Complimentary edits • Member edits • Provider edits • Timeliness edits • TPL edits • Liability reduction edits • Prior Authorization edits • MCO edits • Override edits <p>Continuous Process Improvement Processing</p>

Task Item	Sub Tasks	Description
		<p>Capitation Rules and Process Management including at a minimum:</p> <ul style="list-style-type: none"> • Configurable Cohort management • Calculation rules • Payment processing and accuracy
	<p>12.3.2 Operate CMdS System</p>	<p>The Contractor shall operate the CMdS solution to assure accurate claims adjudication including but not limited to:</p> <p>Ingesting Claims and Encounters including but not limited to:</p> <ul style="list-style-type: none"> • Batch control procedures to assure records are not lost or misrouted. • Maintain internal controls for tracking of all claims and encounters including status. <p>Issuing Payment Transaction:</p> <ul style="list-style-type: none"> • Make accurate and timely payments to MCOs, Providers and others • Provider (Medical, Non-Medical) Payments; • Invoice payments; and • Non-Member specific Payments. • Payments amounts must be calculated based upon date specific configurable pricing rules which take into account multiple factors (e.g., rate on file in accordance with Procuring Agency and Federal policy or billed amount, whichever is less, percentage of rate on file or billed amount, whichever is less, percentage of charges billed up to a maximum dollar amount, percentage of Medicare rate, Medicare End Stage Renal Disease [ESRD] pricing, Composite Rate methodology, anesthesia pricing using a formula, diagnosis-related group [DRG] pricing, with or without outlier, maximum allowable fee per service, procedure code modifier pricing, FFP portion of maximum fee pricing, manual pricing medical consultant-determined rate per service, nursing home daily rate, nursing home claim records on a specific case rate, per diem rate, or a facility per diem rate, nursing home Prospective Payment System [PPS], facility specific per diem rate, outpatient hospital rate per visit day; outpatient PPS; crossover claim pricing, including Part B cutback; incentive payment pricing; pay for performance, individual waiver program pricing methodologies; Provider specific, Member specific, geographic area specific). <ul style="list-style-type: none"> • Payments amounts must be calculated based upon date

Task Item	Sub Tasks	Description
		<p>specific configurable cohorts for capitation, Per Member Per Month (PMPM) payments to MCO</p> <p>Adjudicate Claims processing through edits including at a minimum;</p> <ul style="list-style-type: none"> • Approve claims and related transactions for payment or recoupment as changes are identified. • Accurately capture, adjudicate and provide an audit trail to track Enterprise claims within established time parameters. • Adjudicate and edit claims against date defined criteria by Enterprise defined business rules for service coverage, policy procedures, and payment parameters such as: <ul style="list-style-type: none"> • Ensure Members are properly enrolled and eligible including managing claims that in occur in the midst of eligibility and/or enrollment changes, track the interaction of claim and eligibility changes, and document accurately. • Ensure Providers are properly enrolled and eligible to perform the service. • Apply a hierarchy for claims adjudication when a Member is enrolled in multiple benefit plans which cover the service and coordinate payment across benefits plans based upon configurable rules. • Ensure the claim is processed based upon a hierarchy across multiple Enterprise programs which may pay for the service. • Ensure the service is included in the Member's Enterprise program benefit plan. • Support a variety of Enterprise benefit program plans and delivery of services. Each program should have its own eligibility criteria, provider network, reimbursement rules, medical policy, cost sharing and benefit structure. • Enterprise programs include unique benefit plans (e.g., school-based claims that require a manual adjustment each quarter to recoup the non-federal share [ex: 1) Calculate Total Computable, 2) Adjust for non-federal share based on COE and 3) Make the payment of only FFP based on that adjustment], Children's Special Health Care Services, MiVia Self-Directed Care, Primary Care Case Management [PCCM], Gatekeepers, MCO carveout) with their own policies and rules.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Ensure PA is approved for services requiring a PA. • Deny payments, or portions thereof, when services are covered under other Enterprise programs, Managed Care, Gatekeeper, or other liable entity (e.g., Medicare, Veterans Administration [VA], Third Party Liability (TPL), Casualty Claim). • Allow payment exceptions based upon Procuring Agency defined configurable rules, (emergency, no provider network, carveout) to Providers outside the primary care case management, gatekeeper, etc. • Deny payments, or portions thereof, when Member has one or more cost sharing amounts due (e.g., patient responsibility, room and board contribution, copay, deductible, coinsurance) and calculate balances. • Maintain and edit against limited benefits over periods of time (e.g., one [1] appendectomy per lifetime, one dental cleaning per six [6] months) • Edit against standard coding rules (e.g., The National Correct Coding Initiative [NCCI] in Medicaid. • Edit against Enterprise reference data files (e.g., Member data, Provider data, procedure code and modifier data, diagnosis code, benefit plans) • Deny duplicate payments across the Enterprise. <p>Ongoing configuration of system with Procuring Agency defined, date driven, edit and error code posting rules (cross referenced to the policy or billing requirement, edit disposition and configurable processing action) within 30 days of Procuring Agency providing, including but not limited to:</p> <ul style="list-style-type: none"> • General edits (duplicate, format, acceptable values, SNIP, bundle vs. un-bundle, age vs. procedure, Incidental, Emergent visits, prepayment review, diagnosis); • Dental edits; • Program, policy specific edits; • Institutional edits; • Reference edits (e.g., diagnosis, service codes, modifiers, benefit plans, place of service); • Limits, relationship (e.g., complementary, conflict/mutually exclusive) edits; • Required Attachment Edits (e.g., clinical data, surgical reports, consent forms, incapacity evaluations, Provider communications, adjustment/void forms, updated turnaround documents);

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Electronic attachment coding edits (e.g., EMSA) must be available for all claim types and services with the intent of limiting paper submission to an exception basis; • Prior Authorization edits; • Eligibility edits (e.g., Provider, Member) • Timeliness edits; • Deduction edits (e.g., Third Party Liability, Crossover claims, patient responsibility); • Pre-enrollment Edits; and • Per the Procuring Agency's instruction manuals (e.g., provider billing, claim resolution) and in conformity with medical, dental, or institutional care. <p>Configurable Codes</p> <p>Provide and configure a system with Procuring Agency defined, date driven, reference codes, including but not limited to:</p> <ul style="list-style-type: none"> • Error codes; • Remittance Advice Codes; and • Override Codes. <p>Recoup</p> <ul style="list-style-type: none"> • Identify claims that have been, or are in the process of being, recouped both within the FS and other Enterprise modules. <p>TPL Processing</p> <ul style="list-style-type: none"> • At a minimum, integrate with Master Data Management to identify Members with TPL and process claims in compliance with NMAC 8.302.3.10 and per Procuring Agency defined rules such as: • If the claim has TPL information and the Member record does not reflect TPL information, then the service must provide the TPL data to the Enterprise and process for payment. • If the claim has TPL information and the Member record reflects TPL information, then the services must calculate the amount payable, and provide the data including TPL cost avoided data to the Enterprise. • If the claim does not have TPL information and the Member record reflects TPL information, then the services must deny the claim and provide the data including the TPL cost avoided data to the Enterprise.

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • If the claim has indication of an accident, then the claim must be referred to the Enterprise for potential recovery and processed for payment. <p>Process and Price Encounters</p> <p>The Contractor shall accept provider/clearinghouse-submitted 837 files via the SI, perform SNIP editing to the level approved by the Procuring Agency, and reject transactions that fail this editing back to the submitter with a 999 and TA1 reply.</p> <p>The Contractor solution shall convert Unified Portal-submitted to an 837 format for processing by the appropriate payer.</p> <p>The Contractor shall assign a TCN to each accepted 837 transaction and direct such transactions to the appropriate payer:</p> <ul style="list-style-type: none"> • The Contractor shall load claims denoting an MCO as payer to the FS system in a To Be MCO status, and shall create files of such transactions for each MCO for delivery via the SI. • The Contractor shall process and adjudicate FFS claims in accordance with Procuring Agency-approved business rules. <p>The Contractor shall accept MCO-submitted PACDR transactions via the SI, update the status of the original claim from To Be MCO to a Paid or Denied Encounter, and add to the claim record the results of MCO processing (including TCN, MCO TCN, allowed amounts, payment amounts, CAS amounts, TPL and patient liability deductions, and denial reasons).</p> <p>The Contractor shall generate a file by MCO of To Be MCO claims for which no corresponding PACDR transaction has been received within 30 days, and shall direct such files to the appropriate MCO via the SI.</p> <p>The Contractor shall reject MCO-submitted PACDRs that do not match a claim in a PACDR status.</p> <p>The Contractor shall process MCO-submitted encounters in an 837 format for services such as care management that are not paid via provider-submitted claims.</p> <p>Appeal Process</p> <ul style="list-style-type: none"> • Provide and manage automated claims appeal process including at a minimum; • Research of appeal; • Documentation gathering for decision; • Communication with Provider and Procuring Agency; and

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Manual intervention per Procuring Agency defined rules. <p>Process Electronic Attachments</p> <ul style="list-style-type: none"> • Manage acceptance of attachments (e.g., chart notes, Emergency Medical Service for Aliens [EMSA], x-rays, operative reports, Magnetic Resonance Image,) in a variety of formats (e.g., word document, scanned image, excel) and other materials related to claims transactions as required for review; • Associate (link) to one or more claims for later retrieval and viewing; and • Download of electronic attachments in the format stored; • Display for viewing as needed. <p>Maintain and Use Data</p> <ul style="list-style-type: none"> • Manage and use reference data (e.g., HIPAA defined code sets, diagnosis codes, procedure codes, revenue codes, rate/fee schedules) to pay claims. • Remain informed on reference data, assess impacts of reference data changes and updates on claims processing and other module processes and communicate with the Procuring Agency on impact results and obtain Procuring Agency approval for reference changes. • Manage and use Procuring Agency approved Operational reference data and system changes that are requested through an integrated electronic memo process.
	12.3.3 TCN Assignment	The Contractor shall assign Unique Transaction Control number and link to any adjusted claims (parent/child relationship).
12.4 Manual Intervention		
	12.4.1 Manual Claim Entry	The Contractor shall perform manual entry (keying) of Enterprise claims per Procuring Agency defined rules.
	12.4.2 Manual Intervention for Ingested Claims	The Contractor shall perform manual intervention for claims that are not successfully ingested or rejected.
	12.4.3 Manual Intervention for Suspended Claims	<p>The Contractor shall perform manual processing of suspended claims to comply with Procuring Agency/Federally defined processing timelines including but not limited to:</p> <ul style="list-style-type: none"> • Process ninety-nine [99] percent of all clean claims within ninety [90] days of the date of receipt; • Provide a report Procuring Agency suspended claims; and • Process 100% within 12 months of receipt, except for Procuring Agency/Federal defined exceptions

Task Item	Sub Tasks	Description
		<p>The Contractor shall perform manual processing of claims (e.g., research and correction of possible errors, manual override or force of edits, manual claims edit exceptions, manual pricing) for all suspended claims.</p> <p>The Contractor shall perform manual processing of claims when system cannot automatically adjudicate, price, and assign Account Codes or as directed by the Procuring Agency.</p> <p>The Contractor shall provide the ability to suspend claims based upon Procuring Agency defined rules and suspend to a specific Procuring Agency Staff profile based upon specific criteria (e.g., suspended to state staff based on billing and rendering provider not just claim type and billing provider type/specialty.)</p> <p>The Contractor shall perform manual review of Mass Adjustments of payments (e.g., claim, capitation) as well as escalate to Procuring Agency potential mass adjustment of payments (e.g., claim, capitation) outside of Procuring Agency criteria (e.g., dollar limit, provider relations, time considerations). The Contractor shall, require comments, that flow through to all adjusted claims, including mass adjustments.</p> <p>The Contractor shall perform manual workflow assignment when claims is delayed beyond workflow standards.</p> <p>The Contractor shall perform manual intervention when recovery amounts are not automatically applied, based upon workflow alert/notification.</p> <p>The Contractor shall perform manual intervention for any transactions that are not completed automatically.</p>
	12.4.4 Manual Review of Attachments	The Contractor shall perform review of attachments to determine any manual processing required and relevance to claims processing.
	12.4.5 Manual Intervention as Requested by the State	<p>The Contractor shall perform manual initiation of mass adjustments as directed by the Procuring Agency.</p> <p>The Contractor shall perform manual payments as requested by the Procuring Agency.</p> <p>The Contractor shall manually trigger print file as requested by the Procuring Agency.</p>

Task Item	Sub Tasks	Description
		The Contractor shall manually create and/or adjust Per Member Per Month (PMPM) Capitation payment as directed by the Procuring Agency.
	12.4.6 Make Recommendations for System Improvements	The Contractor shall perform analysis and make recommendations for System Improvements (e.g., Edits/Error Codes, Reports, Workflow, “What If” scenarios).
	12.4.7 Continuous Process Improvement	<p>The Contractor shall perform manual review and audit of claims override for appropriateness (frequency).</p> <p>The Contractor shall make recommendations (updated or better way for the edit to do what is necessary) for revisions to existing edit rules; and work with Procuring Agency to implement process improvement.</p> <p>The Contractor shall Perform and Manage Adjustment services.</p> <p>The Contractor shall perform manual review of a sampling of adjustments (frequency) to assure accuracy.</p> <p>Maintain proper quality control and continuous process improvement to ensure that the rate of claims processing errors will not exceed 0.5% of the total number of claims processed in any month.</p>
	12.4.8 Manual Intervention of EDM	The Contractor shall perform manual intervention as needed (e.g., document cannot be link automatically, document linked inappropriately) to assure accurate data.
	12.4.9 Customer Support	<p>The Contractor shall incorporate a Tier Three (3) escalation process to assist with Claims questions 7:30 AM to 5:30 PM Mountain Time.</p> <p>The Contractor shall provide Tier Three (3) escalation support staff to resolve escalations received from the Consolidated Customer Service Center.</p>
	12.4.10 Security Testing	<p>The Contractor shall perform Security Testing not less than annually.</p> <p>The Contractor shall implement a process to accurately track access for internal and external user.</p>
12.5 Workflow		

Task Item	Sub Tasks	Description
	12.5.1 Workflow (applies throughout the claims solution)	<p>The Contractor shall manage and perform updates to the configurable system with date driven Workflow, Alert, Notification functions including at minimum:</p> <ul style="list-style-type: none"> • Manage and perform ongoing Workflow, Alert, Notification rules within XXX time of Procuring Agency approval; • Manage and perform workflow, alert, notification for manual processing when system cannot perform automatic processes (e.g., automatic recoupment doesn't occur, Provider no longer active, recoupment exceeds threshold, recoupment doesn't meet criteria, claim suspends, adjustment requested); • Manage and perform workflow alert, notification if changes occur affecting claim processing, pricing and/or account code assignment; • Manage and perform workflow sorting of tasks; • Manage integration with other components of the solution (e.g., CCM, EDM, Modules) • Provide recommendations to the Procuring Agency for workflow improvement and/or rules; <ul style="list-style-type: none"> • When program or policies are added/revised; • When Enterprise Partners are added/revised; • When Modules are added/revised; • When unplanned manual processing occurs; and <p>All other capabilities as available through workflow, alert, notification.</p> <p>Perform manual processes defined in workflow and manual intervention if workflow is interrupted.</p> <p>Provide Procuring Agency staff access (create, read, update, delete) to workflow based upon security roles/profiles.</p>
12.6 Reporting		
	12.6.1 Reporting	<p>The Contractor shall produce performance and reconciliation reports and maintain business service administration, including at minimum:</p> <ul style="list-style-type: none"> • Produce, tabulate, report and make available, per Procuring Agency defined criteria, balancing and control reports (e.g., reports that reconcile all claims entered to the processing cycles, claims that were rejected due to processing errors, input, and output counts, claims inventory reports [e.g., processed, suspended, paid, denied]) after each claims processing cycle. Retain claim,

Task Item	Sub Tasks	Description
		<p>pricing, account code assignment data for reporting purposes;</p> <ul style="list-style-type: none"> • Make all Procuring Agency defined data available to the Enterprise; • Update report rules as data is revised; • Produce standard reports; and • All other capabilities as available through standard reporting. <p>Reporting</p> <ul style="list-style-type: none"> • Provide existing reports to the Enterprise.
	<p>12.6.2 Data Sharing</p>	<p>The Contractor shall receive via integration, from the Enterprise, catalog and use data for processing.</p> <p>The Contractor shall accumulate and provide claims and financial data to the Enterprise via integration catalog.</p> <p>The Contractor shall manage a configurable system that receives real-time and uses Claims/Encounter data from the Enterprise via the integration catalog.</p> <p>The Contractor shall manage the data sharing of Procuring Agency defined claims/encounter data, in a standard format, such as:</p> <ul style="list-style-type: none"> • Claim/encounter (e.g., PIHP, FFS, PAHP, Waiver) data, • Special health needs; • Early Periodic Screening Diagnosis and treatment (EPSDT) data; • Referral data; • Authorization data; • Waiver care data; • Data stored from its original transactions; • Diagnostic Related Grouping (DRG) information (e.g., base rates, capital, medical education, weights, average length of stay, outliers); claims and provider files with information about returned, stopped payment, or cancelled checks forwarded from DFA; and • Multiple rates from varying benefit plans across Procuring Agency programs. <p>The Contractor shall manage the ability to inform/extend the data models including metadata management, to minimize maintenance tasks when additional data elements are produced or required by the Enterprise.</p>

Task Item	Sub Tasks	Description
		The Contractor shall manage coordination with the System Integrator Contractor to enable discussion threads, chats, and annotations.
12.7 Ongoing Configuration		
	12.7.1 Configuration	The Contractor shall provide ongoing configuration to assure compliance with Procuring Agency and Federal requirements.
12.8 Manage Agree Payment Schedule		
	12.8.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$690,361.67 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$701,746.76 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$707,439.31</p>

Deliverable 13: Provide and Manage Self-Directed Home and Community Based Services (SDHCBS) and Electronic Visit Verification (EVV)

<u>Deliverable Thirteen</u>	<u>Due Date</u>	<u>Compensation</u>
Provide and Manage SDHCBS	Beginning upon acceptance of Deliverable 5 through 06-30-2026	Total estimated compensation \$30,984,348.47 To be paid at: <ul style="list-style-type: none"> • a Fixed Rate of \$142.96 including NMGRTPer Member Per Month • and \$37.37 including NMGRTPer Claim Per Month for SDHCBS general administration activities • and \$87.64 including NMGRTPer Member Per Month

Task Item	Sub Tasks	Description
13.1 Operate SDHCBS and EVV Solution		
	13.1.1 Ongoing Operations	Following implementation of the SDHCBS and EVV solution as required by Deliverable 5, the Contractor shall operate the solution as implemented and enhanced.
	13.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.
	13.1.3 Data	The Contractor shall prevent deletion or damage of FS data. The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements. The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.
	13.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the SDHCBS and EVV solution.
	13.1.5 Integration with SI	The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor. The Contractor shall integrate its services with the SI's Integration Platform. The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.
13.2 Maintain and Modify SDHCBS and EVV Solution		

Task Item	Sub Tasks	Description
	13.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.
	13.2.2 Configuration Changes and Other Modifications	<p>The Contractor shall perform all configuration necessary to maintain and modify the SDHCBS and EVV solution to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements, and updates to the SDHCBS and EVV solution, workflows (within FS and across modules and stakeholders via the INTEGRATED PLATFORM) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the Procuring Agency and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	13.2.3 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the SDHCBS and EVV solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the SDHCBS and EVV solution.</p>
	13.2.4 Testing	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis “what if” testing environment that mirrors production, for testing of any proposed business rule or configuration.</p> <p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	13.2.5 Access to Work Products and Systems	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>
	13.2.6 System Documentation	<p>The Contractor shall maintain and provide updates for SDHCBS and EVV documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the SDHCBS and EVV solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.</p>
	13.2.7 Transitioning of Subcontractors	<p>When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlying Roles and</p>

Task Item	Sub Tasks	Description
		responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.
13.3 Self-Directed Home and Community Based Services (SDHCBS)		
	13.3.1 Financial Management Agent	<p>The Contractor shall operate as the Financial Management Agent (FMA) for the Mi Via program, Supports Waiver Participant-Directed (SWPD) program and the Self-Directed Community Benefit (SDCB).</p> <p>The Contractor shall enter into contracts with each Centennial Care MCO to provide FMA services for SDCB.</p> <p>The Contractor shall organize and conduct regular meetings with the MCOs to discuss and resolve issues pertaining to the SDCB program and identify potential areas of improvement.</p> <p>The Contractor shall actively manage its subcontractors to ensure consistent excellent performance, quickly identify and troubleshoot issues, and facilitate effective communication among all program stakeholders.</p>
	13.3.2 Validate Participant Eligibility	The Contractor shall validate participant eligibility daily based on updated client data.
	13.3.3 Document Processing	<p>The Contractor shall encourage and facilitate the electronic submission of required documents.</p> <p>The Contractor shall receive image files of paper documents scanned by the Procuring Agency and routed via the SI to the Contractor for processing. The contractor shall also accept, and process documents submitted by participants, Employer of Record (EORs), vendors and employees.</p> <p>The Contractor shall index incoming image files by document type and associated participant so they may be tracked as part of the participant's record.</p>
	13.3.4 Employee, Employer and Vendor Enrollment	<p>The Contractor shall generate Employer Information Packets and Employee Information Packets with fields pre-populated from the Contractor's SDHCBS solution and send print files electronically to the Procuring Agency's selected print/mail vendor for distribution.</p> <p>The Contractor shall receive, and review completed Employer Information Packets and Employee Information Packets scanned</p>

Task Item	Sub Tasks	Description
		<p>by the Procuring Agency and routed via the SI to the Contractor for processing.</p> <p>The Contractor shall receive, process, and store federal and state forms scanned by the Procuring Agency and routed via the SI to the Contractor for processing as required, including but not limited to the New Mexico Department of Labor Form ES-802, USCIS Form I-9, and IRS Forms SS-8, W-3, and W-9.</p> <p>The Contractor shall enter employer and employee data from information packets into the solution.</p> <p>The Contractor shall obtain license information and associated expiration dates and update this information in the SDHCBS solution.</p> <p>The Contractor shall perform background and criminal record checks and fingerprinting, store hardcopy documents, and update indicators in the SDHCBS solution.</p> <p>The Contractor shall make available information on options for submitting fingerprints and shall encourage the addition of more locations to serve prospective employees in remote locations.</p>
	<p>13.3.5 Timesheet & Invoice Processing and Payment</p>	<p>The Contractor shall receive timesheets for non EVV services and payment requests scanned by the Procuring Agency and routed via the SI to the Contractor for processing and enter them into the SDHCBS solution.</p> <p>The Contractor shall use information from the EVV to create timesheets for support workers employed directly by participants.</p> <p>The Contractor shall email timesheet and payment request submitters to resolve errors encountered during the data entry process, determine corrections, and enter corrections into the SDHCBS solution, and shall follow up via phone call as necessary.</p> <p>The Contractor shall set up positive and negative adjustments for retroactive timesheet changes.</p> <p>The Contractor shall initiate retroactive payments, recoveries, and deductions from ongoing payments to offset previous overpayments.</p> <p>The Contractor shall issue checks or direct deposits to employees at least biweekly and to vendors at least weekly.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall monitor the status of issued checks, including checks not cashed, checks requiring reissue based on damage or other problems, and stop payments.</p> <p>The Contractor shall issue direct deposits or checks for retroactive underpayments.</p> <p>The Contractor shall track payroll expenditures against SSPs/ISPs.</p> <p>The Contractor shall generate automated email notifications within Procuring Agency-approved timeframes to the appropriate agency or broker for pending SSP/ISP entries, changes, approvals, and rejections.</p> <p>The Contractor shall generate automated email notifications within Procuring Agency-approved timeframes to the appropriate agency or broker for SSPs/ISPs with insufficient funds for payroll.</p> <p>The Contractor shall generate email notifications within Procuring Agency-approved timeframes to the appropriate agency or broker of upcoming SSP/ISP expirations.</p> <p>The Contractor shall provide the data to update the vendor's solution with payroll and payment information.</p> <p>The Contractor shall generate participant and vendor payroll/payment reports; Internal Revenue Service (IRS) and New Mexico payroll, income tax, and worker's compensation forms, reports, and data; and W-2 and 1099 forms for employees and vendors. The Contractor shall make all such reports, forms, and data available electronically to participants and vendors who prefer that option and otherwise and send print files electronically to the Procuring Agency's selected print/mail vendor for distribution as required.</p> <p>The Contractor shall provide routine workers compensation administration as part of payroll processing.</p> <p>The Contractor shall perform an annual reconciliation and reimbursement process to properly account for Federal Insurance Contributions Act (FICA), State Unemployment Tax Act (SUTA) and Federal Unemployment Tax ACT (FUTA) dollars for employees/employers who did not generate sufficient wages within the tax year.</p>
	13.3.6 Prepaid Debit Card	The Contractor shall provide a debit card option for all SDHCBS employees, participants, employers, and vendors.

Task Item	Sub Tasks	Description
		<p>The Contractor shall load funds for payroll and other goods/services via Automated Clearing House (ACH) to a card that has been issued in that individual's name.</p> <p>The Contractor shall produce and publish a Pay Selection Form with information and consent of the employee and employer for MNC selection and activation.</p> <p>The Contractor shall process Pay Selection Forms submitted by employee and employer during either time of enrollment or at a later date.</p> <p>The Contractor shall enter details from Pay Selection form and select a temporary paper check.</p> <p>The Contractor shall process debit card requests from the card vendor daily to obtain account and routing details.</p> <p>The Contractor shall enter details into the Contractor's payroll and financial management system under the individual's account.</p> <p>The Contractor shall process payment files delivered via Automated Clearing House (ACH) to the individual's debit card for all approved payments once the payment type is updated to reflect debit card payment.</p> <p>The Contractor shall issue debit cards in the individual's name for security of the card and to mitigate the risk that the card may be shared with others.</p> <p>The Contractor shall process payroll requests and authorizations for non-payroll goods and services.</p> <p>The Contractor shall issue ACH payment for the calculated amount to the debit card on file for that individual based on the established payroll schedule.</p> <p>The Contractor shall request verification of purchase form with receipt for records following payment being issued.</p> <p>The Contractor shall supplement its prepaid debit card solution for payment of goods and services with a ship-to-home/ship-to-store approach or other Procuring Agency-approved approach that will enable participants to acquire approved goods without the need to use a third-party check.</p>
13.4 Electronic Visit Verification (EVV)		
	13.4.1 Capture and Process EVV Data	The Contractor shall operate its EVV solution to capture data on services provided by home care providers and employees and

Task Item	Sub Tasks	Description
		<p>shall use this data to create and adjudicate claims for such services.</p> <p>The Contractor shall actively manage its subcontractors to ensure consistent excellent performance, quickly identify and troubleshoot issues, and facilitate effective communication among all program stakeholders.</p> <p>The Contractor shall capture, at a minimum the following six required data elements as required by the 21st Century Cures Act:</p> <ul style="list-style-type: none"> • Type of service performed • Individual receiving services • Individual providing services • Date of the service • Location of the service • Time the service begins and ends <p>The Contractor shall provide a mobile application that allows service providers to check-in and check-out via a smart device. The mobile application shall be compatible with Android and iOS Operating Systems. The mobile application shall be available in English and Spanish, and for both Android and iOS. The mobile application shall provide the ability for employees to check-in and check-out when there is no land line or cell coverage (Limited Service Zones). The mobile application shall store encrypted visit data for delayed transmission (store and forward) and automatically transmit this data when WiFi or cellular coverage is detected.</p> <p>The Contractor shall preregister smart devices to capture accurate location integration with GPS technology.</p> <p>The Contractor shall make available telephony to users that allows service providers to call a toll-free number and complete the check-in and check-out process via the participant's landline or mobile phone.</p> <p>The Contractor shall operate and maintain a third-party online time submission portal for review, edit and approval of time submissions received by service providers.</p> <p>The Contractor shall upload time entries daily to the online time submission portal for employee and employer review and submission.</p>
	13.4.2 SDHCBS Employers and Employees (EEs)	The Contractor shall produce registration forms, training materials, user guides and instructions for users regarding both the mobile application and telephony.

Task Item	Sub Tasks	Description
		<p>The Contractor shall make available all registration materials on the web.</p> <p>The Contractor shall distribute, collect and process EVV Registration Forms and enter the data in accordance with the policies and procedures approved by the Procuring Agency.</p> <p>The Contractor shall enter the EE's valid and unique e-mail address.</p> <p>The Contractor shall enter the device ID (EE's cell phone) or participant's landline during the enrollment process (Intake).</p> <p>The Contractor shall update changes to services and budgets in the Contractor's SDHCBS solution.</p> <p>The Contractor shall register all Employee of Record ("EOR") and Ees in the Contractor's payment solution.</p> <p>The Contractor shall support Interactive Voice Response (IVR) registration, which will be completed by Ees and entered into the Contractor's SDHCBS solution.</p> <p>The Contractor shall issue credentials to the EE end user for access to the SDHCBS solution and EVV mobile application.</p>
	<p>13.4.3 Agency Provider Support</p>	<p>The Contractor shall confirm that agency providers ("agencies") are registered in the Contractor's EVV solution.</p> <p>The Contractor shall send client data from its SDHCBS and Claims Processing solutions to its EVV solution.</p> <p>The Contractor's EVV solution shall allow provider agencies to add agency provider worker authorizations.</p> <p>The Contractor shall capture data from agency provider workers who check-in/out using Interactive Voice Response (IVR).</p> <p>The Contractor's EVV solution shall send time in/out for agencies paid through a self-directed program (Mi Via or Supports Waiver) to the Contractor's SDHCBS solution.</p> <p>The Contractor shall submit EVV time for traditional agency providers to the Contractor's Claim Processing solution for claim creation and adjudication.</p> <p>The Contractor shall enable agencies to register their workers' device IDs to use the EVV mobile application for check-in and check-out.</p>

Task Item	Sub Tasks	Description
		The Contractor shall enable agency provider administrators to approve or edit time, as needed, within the Contractor's EVV solution.
	13.4.4 837 Processing for Agency Providers	<p>The CONTRACTOR shall process agency-directed X12 837P claim information files, including self-directed claims, agency-based claims that are "cashed out" via the self-directed budget, and remaining agency-based claims.</p> <p>The Contractor shall maintain an interface between its EVV and Claim Processing solutions to include all 837 claim information for agency providers. The interface shall be via web services or File Transfer Protocol (FTP).</p> <p>The Contractor shall maintain an interface between the SDHCBS and Claim Processing solutions for authorization files for the Supports Waiver (participant directed employees and agencies), Mi Via FFS (employees and agencies), Self-Directed Community Benefit (employees and agencies), and the DDW list.</p> <p>The Contractor shall enter all Payment Request Forms (PRFs) into its SDHCBS solution.</p> <p>The Contractor shall process all vendor packets.</p> <p>The Contractor shall produce X12 837P claims and adjustments to reimburse payroll payments on behalf of participants/members, including adjustments for retroactive financial transactions, and shall submit and process those claims.</p> <p>The Contractor shall receive a customized 835 via web services and process the 835 to reconcile paid claims with submitted 837P claims.</p> <p>The Contractor shall generate reports to identify discrepancies from the claim reconciliation process, including denied and suspended claims.</p> <p>The Contractor shall resolve issues that may arise during the reconciliation and shall initiate and process adjustments to clear all denied and suspended claims.</p>
13.5 Review and Acceptance		
	13.5.1 Review and Acceptance	The Contractor shall deliver a monthly Maintenance and Operations report for review and acceptance by the Procuring Agency.
13.6 Manage Agreed Payment Schedule		

Task Item	Sub Tasks	Description
	<p>13.6.1 Invoice Procuring Agency According to the Payment Schedule</p>	<p>The Contractor shall be paid a fixed monthly rate per member, per month (PMPM) for SDHCBS general administration activities, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$142.96 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$142.96 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$142.96</p> <p>The Contractor shall be paid a fixed monthly rate per claim, per month (PCPM) for SDHCBS general administration activities, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$37.37 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$37.37 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$37.37</p> <p>The Contractor shall be paid a fixed monthly rate per member, per month (PMPM) for EVV Solution, plus including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$87.64 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$87.64 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$87.64</p> <p>POCMS Monthly Fee 61,438.36</p>

Deliverable 13A: Ongoing Reporting Certification of Electronic Visit Verification (EVV)

<u>Deliverable Thirteen A</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Reporting - Certification of EVV	Beginning upon acceptance of Deliverable 3 through 06-30-2026	Total Compensation not to exceed \$592,465.80 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$35,923.80 per month including NMGR T through 6/30/2024. • \$24,538.70 per month including NMGR T from 7/1/2024 through 6/30/2025. • \$18,846.15 per month including NMGR T 7/1/2025 through 6/30/2026.

Task Item	Sub Tasks	Description
13A.1 Ongoing Operations	13A.1.1 Follow CMS KPI Reporting Schedule 13A.1.2 Prepare quarterly updates 13A.1.3 Support continued compliance and consultation with CMS 13A.1.4 The Annual KPI for security audits and review 13A.2.1 Invoice the Procuring Agency according to the Subtask Payment schedule	<p>During M&O the contractor must follow the CMS KPI Reporting Schedule to submit KPI reports to the Procuring Agency for approval to send to CMS.</p> <p>Prepare quarterly updates and report out on the Plan Of Action and Milestones (POA&M), for deficiencies remediation identified in the three independent audits.</p> <p>Support of a CMS Certification SME for review continued through 12/31/22 compliance and consultation discussions with CMS.</p> <p>The Annual KPI for security audits and review, including:</p> <ul style="list-style-type: none"> • Submission of a 508-test report for compliance with the Americans with Disabilities Act. • Completion of an independent 3rd party audit of the implementation of AuthentiCare for Security and Privacy. The audit includes security assessment

Task Item	Sub Tasks	Description
<p>13A.2 Managed Agreed Payment Schedule</p>		<p>of risks based on NIST 800-53 guidelines and a penetration test. The summary report for submission to CMS as evidence for OBC evidence Security1.1 and Security1.2.</p> <p>The CONTRACTOR shall invoice the Procuring Agency and the Procuring Agency shall pay Contractor for the following percentages of Deliverable _ compensation plus estimated NMGRT, with no retainage, upon the following events:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$35,923.80</p> <p>Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$24,538.70</p> <p>Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$18,846.15</p>

Deliverable 14: Provide and Manage Pharmacy Benefit Management Services

<u>Deliverable Fourteen</u>	<u>Due Date</u>	<u>Compensation</u>
Provide and Manage Pharmacy Benefit Management Services	Beginning upon acceptance of Deliverable 6 through 06-30-2026	Total Compensation not to exceed \$7,094,305.41 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$272,857.88 per month including NMGRT.

Task Item	Sub Tasks	Description
14.1 Operate PBM Solution		
	14.1.1 Ongoing Operations	Following implementation of the PBM solution as required by Deliverable 6, the Contractor shall operate the solution as implemented and enhanced.
	14.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.
	14.1.3 Data	The Contractor shall prevent deletion or damage of FS data. The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements. The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.
	14.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the PBM solution.
	14.1.5 Integration with SI	The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor. The Contractor shall integrate its services with the SI's Integration Platform. The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.
14.2 Maintain and Modify PBM Solution		
	14.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.

Task Item	Sub Tasks	Description
	14.2.2 Configuration Changes and Other Modifications	<p>The Contractor shall perform all configuration necessary to maintain and modify the PBM solution to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements, and updates to the PBM solution, workflows (within FS and across modules and stakeholders via the INTEGRATED PLATFORM) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the State and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	14.2.2 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the PBM solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the PBM solution.</p>

Task Item	Sub Tasks	Description
	14.2.3 Testing	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis "what if" testing environment that mirrors production, for testing of any proposed business rule or configuration.</p> <p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p> <p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	14.2.4 Access to Work Products and Systems	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>

Task Item	Sub Tasks	Description
	14.2.5 System Documentation	<p>The Contractor shall maintain and provide updates for PBM documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the PBM Processing solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.</p>
	14.2.6 Transitioning of Subcontractors	<p>When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlining Roles and responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.</p>
14.3 PBM Services		
	14.3.1 Fiscal Agent	<p>The Contractor shall operate as the Fiscal Agent for the Pharmacy Benefit Services.</p>
	14.3.2 Contract Management	<p>The Contractor shall identify and notify the Procuring Agency of all errors and discrepancies found in the PBM that pertain to the Procuring Agency.</p> <p>The Contractor shall assist Procuring Agency staff and Contractors with research, resolution, and response to Member and Provider issues related to the PBM.</p>

Task Item	Sub Tasks	Description
	14.3.3 Claims Adjustment Processing	The Contractor shall process claim adjustments within five (5) business days of receiving audit findings from the Enterprise and coordinate as necessary with the Procuring Agency or others.
	14.3.4 Management of E-Prescribe	The Contractor shall facilitate the Procuring Agency E-Prescribing.
	14.4.1 ProDUR/Retro-DUR Analysis	<p>The Contractor shall provide ongoing analysis and a clinical review of new name brand and generic drugs for clinical safety and efficacy.</p> <p>The Contractor shall provide ongoing analysis and a clinical review of existing drugs for new indications or changes to indications, and for new product forms and strengths.</p> <p>The Contractor shall analyze POS and DUR processing and make recommendations supported by data on any criteria or DUR areas to improve the prescription drug benefit and increase cost-effectiveness.</p> <p>The Contractor shall perform all necessary clinical data analysis (e.g., supports DUR examination pattern analysis using predetermined standards of physician prescribing practices, drug use by individual patients and, where appropriate, dispensing practices of pharmacies) to develop recommendations for specific DUR intervention initiatives and the associated objectives, protocols, guidelines, and operational procedures.</p> <p>The Contractor shall analyze data as requested by the New Mexico Medicaid DUR Board or as requested by the Procuring Agency.</p>
	14.4.2 Retro-DUR Intervention	The Contractor shall perform a minimum of 4 DUR interventions per year as determined by the Procuring Agency and in accordance with a schedule provided by the Procuring Agency.
	14.4.3 Claims Edits and Audits Analysis	The Contractor shall assist in development of claim edits and audits for coded drug claims (e.g., drug procedure codes), as specified by the Procuring Agency.
	14.3.4 Reimbursement/ Pricing Methodology	The Contractor shall set different reimbursement methodologies or pricing methodologies for pharmacy claims using such information as dispensing fees, Provider type, CMS national coding standards, HIPAA/NCPDP standards, urban/rural locations or other information identified by the Procuring Agency.

Task Item	Sub Tasks	Description
	14.3.5 Claims Analysis and Correction	<p>The Contractor shall flag, for review, individual drugs and compounds which indicate a need for manual pricing intervention.</p> <p>The Contractor shall flag and re-price claims/encounters when requested by the Procuring Agency.</p> <p>The Contractor shall perform claim corrections, making paid, denied, or rejected claims available for review and analysis and when deemed appropriate, allow for reversal or resubmission for applying corrections.</p> <p>The Contractor shall identify, analyze, and correct errors that have resulted in improper claims processing (e.g., final edit dispositions are incorrect, incorrect rate), trace to the error source, reprocess as needed, and report to the Procuring Agency.</p> <p>The Contractor shall report to the Procuring Agency all pharmacy adjustments and recoupments made as a result of dispute research.</p> <p>The Contractor shall perform pharmacist review and either approve or deny all compound claims that suspend for review.</p>
	14.3.6 Explanation of Benefit (EOB) Management	<p>The Contractor shall create explanation of benefit codes to use when denying a compound claim.</p>
	14.3.7 Communication Management	<p>The Contractor shall update notification letters regarding PA determinations when business rules are updated (e.g., changing denial reasons).</p>
	14.3.8 Quality Management	<p>The Contractor shall perform quality control procedures to screen and capture electronic images from hardcopy claim forms and attachments, adjustment/reconsiderations, and updated documents, then date-stamp, Julian date, and assign unique control numbers.</p> <p>The Contractor shall provide ongoing quality management initiatives subject to the Procuring Agency approval.</p> <p>The Contractor shall measure and evaluate Provider activities defined by the Procuring Agency (e.g., quality measures, utilization, adherence) and provide recommendations based upon the measurements.</p>

Task Item	Sub Tasks	Description
	14.3.9 Analysis/Reporting	The Contractor shall provide an automated mechanism to subject each disputed prescription to a series of queries that compare the billed amount, quantity paid, and system-calculated allowed amount (e.g., the maximum amount the Procuring Agency would pay for the prescription, data items which can be obtained by mathematical manipulation of other data items, agree with the results of that manipulation and utilizes data elements and algorithms to compute claim reimbursement for claims that is consistent with 42 CFR 447) in order to identify the universe of claims for disputed NDCs.
14.4 Training		
	14.4.1 Claims Submission Training	The Contractor shall work with pharmacies to minimize or eliminate missing or invalid prescriber identifying information.
14.5 Review and Acceptance		
	14.5.1 Review and Acceptance	The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.
14.6 Manage Agree Payment Schedule		
	14.6.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$272,857.88 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$272,857.88 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$272,857.88</p>

Deliverable 15: Provide and Manage Drug Rebate Services

<u>Deliverable Fifteen</u>		<u>Due Date</u>	<u>Compensation</u>
Provide and Manage Drug Rebate Services		Beginning upon acceptance of Deliverable 7 through 06-30-2026	Total Compensation not to exceed \$2,652,510.03 03 to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$102,019.62 per month including NMGRT
Task Item	Sub Tasks	Description	
15.1 Operate Drug Rebate Solution			
	15.1.1 Ongoing Operations	Following implementation of the Drug Rebate solution as required by Deliverable 7, the Contractor shall operate the solution as implemented and enhanced.	
	15.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.	
	15.1.3 Data	The Contractor shall prevent deletion or damage of FS data. The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements. The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.	
	15.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the Drug Rebate solution.	
	15.1.5 Integration with SI	The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor. The Contractor shall integrate its services with the SI's Integration Platform. The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.	
15.2 Maintain and Modify Drug Rebate Solution			
	15.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.	

Task Item	Sub Tasks	Description
	15.2.2 Configuration Changes and Other Modifications	<p>The Contractor shall perform all configuration necessary to maintain and modify the Drug Rebate solution to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements and updates to the Drug Rebate solution, workflows (within FS and across modules and stakeholders via the Integration Platform) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the Procuring Agency and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	15.2.3 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the Drug Rebate solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the Drug Rebate solution.</p>

Task Item	Sub Tasks	Description
	15.1.4 Testing	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis "what if" testing environment that mirrors production, for testing of any proposed business rule or configuration.</p> <p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p> <p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	15.1.5 Access to Work Products and Systems	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>
	15.1.6 System Documentation	<p>The Contractor shall maintain and provide updates for Drug Rebate documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the Drug Rebate</p>

Task Item	Sub Tasks	Description
		solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.
	15.1.7 Transitioning of Subcontractors	When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlining Roles and responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.
15.2 Drug Rebate Services		
	15.2.1 Fiscal Agent	The Contractor shall operate as the Fiscal Agent for the Drug Rebate Program.
	15.2.2 Audits and Invoice Generation	<p>The Contractor shall identify, validate, and perform adjustments and corrections to paid claims when billing errors are discovered through the rebate resolution process and notify the billing Provider.</p> <p>The Contractor shall automatically determine the amount of rebate due from each manufacturer; based on quantity of units paid for each NDC (both original and adjusted claims), rebate amounts, data specific interest rate and prior period adjustments, per data received from CMS.</p> <p>The Contractor shall perform drug rebate activities (e.g., produce drug rebate invoices on a quarterly basis, produce all reports and invoice relating to drug rebates, respond to all drug manufacturer inquiries regarding drug rebate invoices) on all eligible claims/encounters.</p> <p>The Contractor shall automatically calculate interest due on quarterly rebate amounts per Federal Regulations.</p> <p>The Contractor shall contact pharmacy Providers in instances in which the PBM component determines, through rebates invoicing processes and procedures, that the Provider's claim(s) data is aberrant or otherwise questionable.</p>
	15.2.3 CMS/Procuring Agency Regulatory Monitoring/ Implementation	<p>The Contractor shall verify that manufacturers are paying the contracted per-unit amounts.</p> <p>The Contractor shall identify and report Providers that are public health service entities that have separate agreements with</p>

Task Item	Sub Tasks	Description
		<p>manufacturers under the Veterans Health Act of 1993, with effective dates.</p> <p>The Contractor shall monitor information (e.g., manufacturer data, interest rates, unit conversion) provided by CMS, used in generating rebate invoices, to validate that the information is complete and accurate.</p> <p>The Contractor shall coordinate with the appropriate CMS staff and, as necessary, appropriate contacts for pharmaceutical manufacturers when the Contractor determines that necessary CMS information pertaining to any given manufacturer's rebate-qualified drugs is missing, incomplete, or otherwise inaccurate.</p> <p>The Contractor shall provide the Procuring Agency with an analysis, within three (3) business day of receipt by the Contractor of CMS pharmacy-related information, that specifies if action by the Procuring Agency, PBM or other Contractor is required and, if so, what that action is, by what entity it must be undertaken, and by when it must be completed.</p> <p>The Contractor shall communicate with other necessary contractors regarding the inclusion of applicable procedure codes for rebates invoicing purposes, both the Procuring Agency and Federal.</p> <p>The Contractor shall support manual rebate updating, overriding the CMS quarterly update, for specific drugs and at the manufacturer (labeler) level across all NDCs for that manufacturer.</p>
	15.2.4 Contact Support	<p>The Contractor shall respond to all Medicaid drug program related inquiries, including surveys, from drug manufacturers and any entity acting on behalf of a drug manufacturer, as well as any other interested parties as requested by the Procuring Agency.</p>
	15.2.5 Payment Allocation/ Reconciliation	<p>The Contractor's shall manage the monthly and quarterly DRAMS accounts receivable reconciliation. The Contractor shall automate reports that will be made accessible as defined by the Procuring Agency. The Contractor shall develop an efficient process which includes all steps outlined by the Procuring Agency.</p> <p>The Contractor shall ensure rebates are posted to the Accounts Receivables System and reconciled with the invoice by the tenth (10th) of the following month.</p> <p>The Contractor shall provide automatic and, on an exception basis, manual processes to reconcile amounts paid to amounts invoiced by NDC line item.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall perform reconciliation between the drug rebates received by the PBM, amounts transferred to the Procuring Agency and the amount reported on the CMS-64.9R form for the quarter.</p> <p>The Contractor shall invoice and accept payments from drug manufacturers both electronically and through manual check receipt.</p> <p>The Contractor shall explain, in writing, all instances in which a quarter-to-quarter variation equal to or exceeding fifteen percent (15%) occurs, in terms of either units invoiced or dollars collected, the reason(s) for the variance, and convey this information to the Procuring Agency for inclusion with the CMS-64.9R submission.</p>
	15.2.6 Appeals and Dispute Resolution	<p>The Contractor shall represent the Procuring Agency in dispute resolution meeting with manufacturer or labelers.</p> <p>The Contractor shall perform all aspects of the formalized dispute resolution process, with direction from the Procuring Agency, CMS, or both to include complying with all future CMS Drug Rebate releases and clinical review of disputes.</p> <p>The Contractor shall provide necessary support to the Procuring Agency in cases of formal appeal of a rebate invoice by a manufacturer.</p> <p>The Contractor shall provide all necessary support, documentation, and testimony if a drug manufacturer dispute, or other rebate-related action, proceeds to administrative or judicial review.</p>
15.3 Review and Acceptance		
	15.3.1 Review and Acceptance	<p>The Contractor shall deliver plans, designs, data, documentation, test cases and results, and implementations for review and acceptance by the Procuring Agency.</p>
15.4 Manage Agree Payment Schedule		
	15.4.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$102,019.62 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$102,019.62 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$102,019.62</p>

Deliverable 16: Provide and Manage Data Exchange and Reporting Services

<u>Deliverable Sixteen</u>	<u>Due Date</u>	<u>Compensation</u>
Provide and Manage Data Exchange and Reporting Services	Beginning upon acceptance of Deliverable 8 through 06-30-2026	Total Compensation not to exceed \$3,452,947.05 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> \$132,805.65 per month including NMGR

Task Item	Sub Tasks	Description
16.1 Operate Data Exchange and Reporting Solution		
	16.1.1 Ongoing Operations	Following implementation of the Data Exchange and Reporting solution as required by Deliverable 8, the Contractor shall operate the solution as implemented and enhanced.
	16.1.2 Availability	The Contractor shall maintain availability 24 hours a day, 7 days a week, 365 days a year for 99.95% of the time except for Agreed upon maintenance windows.
	16.1.3 Data	The Contractor shall prevent deletion or damage of FS data. The Contractor shall retain data (audit records, claims, encounters, payments) per Procuring Agency requirements. The Contractor shall manage and maintain reference data history to include previous reference data and relevant date spans based on Procuring Agency retention policies.
	16.1.4 Staffing	The Contractor shall have sufficient appropriately trained and experienced staff to successfully operate the Data Exchange and Reporting solution.
	16.1.5 Integration with SI	The Contractor shall comply with the SI's processes, standards and Shared Core Services, and coordinate integration with the SI Contractor. The Contractor shall integrate its services with the SI's Integration Platform. The Contractor shall coordinate its services with the SI Contractor for data exchange, including metadata.
16.2 Maintain and Modify Data Exchange and Reporting Solution		
	16.2.1 Software	The Contractor shall maintain current versions and licenses for all software encompassed within its solution and will implement all patches on a timely basis.
	16.2.2 Configuration Changes and Other Modifications	The Contractor shall perform all configuration necessary to maintain and modify the Data Exchange and Reporting solution

Task Item	Sub Tasks	Description
		<p>to provide defect free business services and meet Procuring Agency program requirements.</p> <p>The Contractor shall provide a flexible approach whereby additional functional area capabilities can be added without stress or interruption to its Business Services or to other MMISR modules and services.</p> <p>The Contractor shall allow for and implement changes, enhancements and updates to the Data Exchange and Reporting solution, workflows (within FS and across modules and stakeholders via the INTEGRATED PLATFORM) and business processes for efficient alignment with the HHS 2020 Architecture and the needs of the Procuring Agency at no additional cost to the Procuring Agency and without degradation to core responsibilities or negative impact to other module and BPO Contractors.</p> <p>The Contractor shall review policy changes made by the Procuring Agency or its Enterprise partners for impact to the business services and make recommendations for necessary modifications.</p> <p>The Contractor shall evaluate the impact of changes to other MMISR modules and the addition of any new MMISR modules for impact to the business services and make recommendations for necessary modifications.</p>
	16.2.2 Staffing	<p>The Contractor shall have sufficient appropriately trained and experienced staff to successfully maintain, modify and configure the Data Exchange and Reporting solution.</p> <p>The Contractor shall provide Stakeholder access to SMEs who have expertise in the Data Exchange and Reporting solution.</p> <p>The Contractor must provide Data Exchange and Reporting SMEs who have experience and knowledge of standard interfaces, SOA and ESB integration to assure Enterprise requirements, SLAs and KPIs are achieved.</p>
	16.2.3 Testing	<p>The Contractor must provide Procuring Agency access to an up-to-date impact analysis "what if" testing environment that mirrors production, for testing of any proposed business rule or configuration.</p> <p>The Contractor must maintain and protect testing datasets to provide restoration of test data to known points in time and maintain sufficient recent data for purposes of testing.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall ensure that its testing datasets are not comprised of live production data but only de-identified data (through an appropriate de-identification mechanism approved by the Procuring Agency).</p> <p>The Contractor must ensure that testing data or datasets are not entered into production services.</p> <p>The Contractor shall test all configuration changes and code modifications before they are promoted to the shared environments of the MMISR Framework.</p>
	16.2.4 Access to Work Products and Systems	<p>The Contractor shall provide full access to work products at all stages of FS configuration and operations to Procuring Agency, the IV&V Contractor and/or any oversight agent designated by the Procuring Agency or CMS.</p> <p>The Contractor shall maintain a Procuring Agency-approved process to grant required system access to authorized oversight agents in an efficient and expeditious manner.</p>
	16.2.5 System Documentation	<p>The Contractor shall maintain and provide updates for Data Exchange and Reporting documentation (e.g., database schema, data dictionaries, entity-relationship diagrams, complete solution architecture and Configuration diagrams, network diagrams, interface standards for the entire solution) including those supporting Proprietary Contractor Material.</p> <p>The Contractor shall maintain and provide updates for documentation regarding all business rules (e.g., exception handling rules, rule usage, exception usage, when the rules fail to work as designed), and provide recommendations to resolve rule failure.</p> <p>The Contractor shall maintain and provide updates for documentation for all structured data (e.g., file layouts for pricing tables, Provider tables, Member data tables).</p> <p>The Contractor shall maintain complete transparency of all data fields in reports and dashboards generated by the Data Exchange and Reporting solution, updating the documentation provided during the Configure, Test and Implement Phase as needed to reflect any changes.</p>
	16.2.6 Transitioning of Subcontractors	<p>When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan shall include an updated responsibility assignment matrix (RAM) outlying Roles and</p>

Task Item	Sub Tasks	Description
		responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.
16.3 Data Exchange and Reporting Services		
	16.3.1 Data Exchange	<p>The Contractor shall provide Extract, Transform and Load (ETL) of all required data and attachments from the Enterprise in accordance with Program, Procuring Agency and Federal policies.</p> <p>The Contractor shall electronically respond to the Enterprise for all electronic data and report requests.</p> <p>The Contractor shall provide data to the Enterprise to trigger Procuring Agency-defined notifications and alerts (e.g., special payment criteria outside of standard business rules, review and approval, pricing, financial, data contradiction, eligibility segments, payment anomalies, needed rate and risk calculations, data driven events, final budget approvals, approaching budget thresholds, needed budget forecasts, update activities, Procuring Agency-defined financial criteria).</p> <p>The Contractor's solution shall test, create, receive, and comply with HIPAA transactions (e.g., ANSI X12N 270/271, ANSI X12N 276/277, ANSI X12N 820, ANSI X12N 834, ANSI X12N 835, ANSI X12N 837) and any paper (e.g., National Uniform Billing Committee [NUBC], National Uniform Claim Committee [NUCC], HCFA 1500, CMS 1500, UB040, ADA) claims.</p> <p>The Contractor shall provide data for analytics, monitoring, and reporting (e.g., trends in accounts payable such as, but not limited to, showing increases/decreases and cumulative year-to-date figures after each claims processing cycle) to assist in the management of its business services across all FS functionality.</p> <p>The Contractor shall work with other modules and share information and data with the Data Services module which will be responsible for all federal and state reporting as well as providing Dashboards for the Procuring Agency.</p>
	16.3.2 Reporting	The Contractor shall provide and maintain business service administration, performance, and reconciliation reports (e.g., workflow activity including volume of work completed, encounter timeliness, average processing time by department, workgroup, individual, document type, accuracy rates, usage

Task Item	Sub Tasks	Description
		<p>rate, discrepancies from the claim reconciliation process, including claims denied or suspended and retroactive changes.</p> <p>The Contractor shall provide reports in flexible formats for exporting and importing.</p> <p>The Contractor shall provide data for a master set of processes and reports (e.g., audit, Federal required, Procuring Agency required, claims, financial, Payment Error Rate Measurement [PERM] report, member specific, provider specific, CMS 372, CMS 64, CMS 21, CMS 416, Medicaid Eligibility Quality Control [MEQC], Surveillance and Utilization Review [SURS], SURS-type anomaly, OIG, Medicaid Fraud Control Unit [MFCU], drug rebate, Transformed Medicaid Statistical Information System [T-MSIS], Title XIX, Management and Administrative Reporting [MAR], Healthcare Effectiveness Data and Information Set [HEDIS]).</p>
	<p>16.3.3 Member Management</p>	<p>The Contractor shall perform the following file maintenance tasks to support the Member Management business process:</p> <ul style="list-style-type: none"> • Update and reconcile client eligibility received from ASPEN interfaces. • Merge records of duplicate clients. • Unmerge records of clients inappropriately combined. • Verify and add TPL coverage to the TPL Subsystem when indicated on a claim or Explanation of Benefits or Managed Care file to ensure cost avoidance. • Maintain and update current “other Insurance” indicators and information on the eligibility file for all individuals. • Maintain the Recipient Resource File, incorporating the related requirements including client identifying information, the insurance carrier(s), the name and address of the carrier(s), the type of coverage, coverage dates, the source of the insurance information, policy holder name and social security number, and policy number. and • Maintain and update the indicators to show the dates that coverage was in effect. The Contractor shall enter the insurance end date when it is determined that the individual no longer has insurance. <p>The Contractor shall provide Medicaid member eligibility and other insurance data to the BHSD STARS system on a daily basis.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall create, maintain, track, and update Early and Periodic Screening, Diagnostic and Treatment (EPSDT) records and trigger initial and follow up EPSDT notices based on Procuring Agency-defined periodicity schedules.</p> <p>The Contractor shall monitor and provide data and metrics on utilization, performance, and outreach for EPSDT Members served by the Managed Care Organization (MCO)s and Fee-For-Service (FFS) members.</p> <p>The Contractor shall incorporate EPSDT records for Members served by MCOs with FFS member EPSDT data for federal reporting purposes and make such information available to the DS Contractor.</p> <p>The Contractor shall maintain, for each member's EPSDT record, current and historical EPSDT screening results, referrals, diagnoses, and treatments for abnormal conditions identified during the screenings.</p> <p>The Contractor shall generate multiple different creditable coverage certificates and send print files electronically to the Procuring Agency's selected print/mail vendor for distribution.</p> <p>The Contractor shall meet as directed by the Procuring Agency with Income Support Division (ISD) and MAD staff, and participate in meetings for the purpose of correcting, updating, or otherwise improving the eligibility interfaces or developing new systems or procedures.</p>
	16.3.4 TPA Interface	<p>The Contractor shall receive files from the Third-Party Assessor (TPA) and Children's Medical Services, edit the incoming transactions, and load validated PA transactions to the MMIS.</p> <p>The Contractor shall meet regularly with the Third-Party Assessor to discuss and resolve interface issues.</p> <p>The Contractor shall interface with the Contractor's Pharmacy Benefits Management (PBM) solution for receipt of approved drug PA records.</p>
	16.3.5 Reference Files	<p>The Contractor shall be responsible for maintenance of all FS reference files, pricing files, and other FS files required to ensure the proper payment of claims. The Contractor shall obtain updates to standard code sets by its own means and make updates to FS reference files via batch or manual updates, as approved by the Procuring Agency.</p> <p>The Contractor shall maintain and update the Reference File subsystem and Reference File data including but not limited to:</p>

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> • Diagnoses, procedures, drug codes, rate files, message and EOB text files and the exception (edit) location, disposition, and resolution files. • Changes to rates, benefit indicators, prior authorization indicators, and all other indicators that affect claims processing or reporting. <p>The Contractor shall accept initial or maintenance information from the Procuring Agency in as electronically routed by authorized Procuring Agency staff, via hard copy or soft copy formats, or as available from official sources on the Internet.</p> <p>The Contractor shall make all routine updates and changes to the files within five (5) business days of a written request by the Procuring Agency; shall subject the file changes to the Contractor's internal quality control process; shall notify the Procuring Agency in writing when the changes have been made; shall maintain an audit trail that can demonstrate any file changes were requested or authorized by the Procuring Agency, and shall review internal system audit trails to ensure that no unauthorized changes are made to the files.</p> <p>When an update or change to data in the files is necessary on an emergency basis to avoid making an incorrect payment, the Contractor shall make every reasonable attempt to make the changes the same day the change or update is requested.</p> <p>The Contractor shall enter updates to the Managed Care files, Rate Files, and Cohort tables as instructed by the Procuring Agency.</p> <p>The Contractor shall update and maintain DRG information (e.g., base rates, capital, medical education, weights, average length of stay, outliers).</p> <p>The Contractor shall inform the Procuring Agency in writing of any changes made in the claim exception master file and document all changes made. Authority to authorize activation or deactivation of claim exceptions rests solely with the Procuring Agency.</p> <p>The Contractor shall remain informed on reference data pertinent to the module (e.g., national code sets, transactions, values and coding systems at the national level, rates, PA codes, revenue codes, Enterprise stakeholder-specific reference data), assesses the impact of changes and updates on Enterprise exceptions, payment and other module services and coordinates</p>

Task Item	Sub Tasks	Description
		<p>their introduction into the Enterprise ecosystem with input and approval from the Enterprise.</p> <p>The Contractor shall provide qualified expertise through positions or other organizational means to assume the primary responsibility for making changes to the MMIS Reference Files following updates from all national billing code systems and values, including diagnoses, procedures, valid values that are part of the national billing code schemes, and payment levels that are incorporated into the New Mexico pricing methodologies. This includes:</p> <ul style="list-style-type: none"> • Tracking changes that are occurring at the national level and within Medicare and assuming the primary responsibility to implement changes approved by the Procuring Agency in the MMIS. • Preparing billing code and pricing updates for the MMIS under the direction of and for the final approval by the Procuring Agency. • Identifying the impact of billing code changes, pricing changes, and payment methodology changes on MMIS exceptions, utilization edits, National Correct Coding Initiative edits, and provider billing, and presenting the results of this analysis to the Procuring Agency for possible implementation of reference file updates. • Preparing drafts of the communications with providers pertaining to such changes. <p>When updates and changes to the data in the Reference Files are made because of the periodic updates from the official coding sources (for example, Current Procedural Terminology code updates in the Healthcare Common Procedure Coding System file), the Contractor may implement the updates and changes through batch updates, with the files maintenance staff responsible only for changes that cannot be accomplished systematically.</p> <p>The Contractor shall develop and maintain a file maintenance manual that documents the instructions used by Contractor staff for updating Reference Files. The Contractor shall supply the current version to the Procuring Agency. File maintenance instructions are subject to approval by the Procuring Agency.</p> <p>The Contractor shall provide the Procuring Agency with copies of each Reference File in the requested media when required by the Procuring Agency.</p>

Task Item	Sub Tasks	Description
		<p>The Contractor shall provide scheduled and ad hoc reports based on the information in the reference files.</p> <p>The Contractor shall provide sufficient files maintenance staff to meet the required performance and quality standards.</p> <p>The Contractor shall have staff that are knowledgeable on the uses, functions, and operations of the files and will provide training and assistance to the Procuring Agency and other Users as necessary.</p> <p>The Contractor shall perform manual pricing when the Procuring Agency can give adequate pricing instructions. The Procuring Agency staff will price services for which the Procuring Agency cannot give adequate pricing instructions.</p> <p>The Contractor shall update the Gross Receipts Tax (GRT) rates in the MMIS to accommodate changes that typically occur on January 1 and July 1 of each year.</p>
	16.3.6 Clinical Decision Support System	<p>The Contractor shall host and operate the CDSS at its facility on hardware it provides and maintains.</p> <p>The CDSS shall be available at least 99.9% of the time, with the exception of scheduled downtime requested at least 72 hours in advance of the outage.</p> <p>The Contractor shall provide quarterly CDSS performance reports.</p> <p>The Contractor shall provide telephone support on Procuring Agency business days from 8 a.m. to 5 p.m. Mountain Time, and email support at all other times.</p> <p>The Contractor shall provide CDSS access to up to 200 users, as designated by the Procuring Agency.</p> <p>The Contractor shall support the Procuring Agency's CMS Adult Quality Grant reporting and Quality Improvement Project requirements through the provision of standardized analytical processes, data extracts and reporting tools.</p>
16.4 Review and Acceptance		
	16.3.6 Review and Acceptance	<p>The Contractor shall deliver a monthly Maintenance and Operations report for review and acceptance by the Procuring Agency.</p>
16.5 Manage Agreed Payment Schedule		
	Invoice Procuring Agency According to	<p>The Contractor shall be paid a fixed monthly rate for delivering these services, including the applicable New Mexico Gross</p>

Task Item	Sub Tasks	Description
	the Payment Schedule	Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule: Base Year 2 May 1, 2024 – Jun 30, 2024 \$132,805.65 Base Year 3 Jul 1, 2024 – June 30, 2025 \$132,805.65 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$132,805.65

Deliverable 17: General Fiscal Agent Services

<u>Deliverable Seventeen</u>	<u>Due Date</u>	<u>Compensation</u>
General Fiscal Agent Services	Beginning upon acceptance of Deliverable 8 through 06-30-2026	Total Compensation not to exceed \$9,177,043.11 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$352,963.19 per month including NMGRT

Task Item	Sub Tasks	Description
17.1 Provide Organizational Support		
	17.1.1 Organization	The Contractor shall implement and maintain an organizational structure with defined staffing and functional areas to meet all contract requirements, to execute all contractual duties, and to maintain responsive service levels. The Contractor shall provide a detailed organization chart depicting the Contractor’s total FS operation. No change may be made to the basic organizational structure without the written approval of the Procuring Agency.
	17.1.2 Staffing Level	<p>The Contractor shall maintain personnel proposed and documented in the Contractor’s organization chart, as appended to the final Agreement; including numbers and assignments for non-key staff, will be the minimum staffing that the Contractor shall maintain unless the Procuring Agency approves a reduction in writing.</p> <p>The Contractor shall warrant and represent that all employees assigned to the performance of this Agreement will be assigned in accordance with the staffing plan in the Contractor’s proposal.</p> <p>The Contractor shall provide additional staff as necessary during the term of the Agreement to perform the work required by the contract, except where specific staff levels are specified in the contract.</p> <p>The Contractor shall not use staff dedicated to the FS contract to perform other work or give them responsibilities with other contracts that affects their ability to perform their responsibilities in support of FS, unless they are replaced by personnel with similar experience and abilities and approved by the Procuring Agency.</p> <p>The Contractor shall ensure performance will not be contingent upon time availability of Procuring Agency</p>

Task Item	Sub Tasks	Description
		personnel or resources with the exception of specific responsibilities stated in this Agreement.
	17.1.3 Staff Qualifications and Vacancies	<p>The Contractor shall fill all staff vacancies with similarly qualified persons and shall maintain sufficient qualified personnel to accomplish the work as defined in this Agreement. The following are minimum qualifications that may be waived on a case-by-case basis should the Procuring Agency concur that the proposed Contractor personnel are qualified to serve in the designated positions:</p> <p>The Executive Account Manager will have a minimum of three (3) years of successful experience in comparable or similar positions with the Contractor or other Medicaid within the past seven (7) years. The Executive Account Manager will be dedicated to this project on a full-time basis.</p> <p>The Deputy Account Manager will have a minimum of three (3) years of successful experience in comparable or similar positions with the Contractor or other Medicaid -within the past seven (7) years. The Deputy Account Manager will be dedicated to this project on a full-time basis.</p> <p>The Contractor shall obtain written consent from the Procuring Agency before diversion of Contractor's key personnel.</p> <p>The Contractor shall inform the Procuring Agency of any periods of vacancy and will supply the equivalent number of hours with similar personnel, when specific staffing levels are required by the contract.</p>
17.2 Provide Infrastructure Support		
	17.1.1 Location Requirements	<p>The Contractor shall have a physical site office located within 75 miles of Santa Fe, New Mexico during the operational phase. At a minimum, staff in this location shall include the New Mexico executive account manager, deputy account manager and staff supporting Training, Claims Processing, Finance, Reference File updates, Mi Via, SDCB, and Tier 3. Other functions may be in any location within the United States. The Contractor's New Mexico office staff may work remotely (telework) if approved by the Procuring Agency; such approval shall be contingent upon the Contractor's continued ability to meet the Procuring Agency's business needs and performance requirements.</p> <p>The Contractor shall provide working office space in their claim processing facility for a minimum of two (2) Procuring</p>

Task Item	Sub Tasks	Description
		<p>Agency staff members, including desks, chairs, and personal computers with access to e-mail and MMISR, including internet access.</p> <p>The Contractor shall provide appropriate management and oversight at each location and support good communication structures between the various offices and the Procuring Agency.</p> <p>The Contractor shall perform all work under this contract in the contiguous United States, Hawaii, or Alaska. No work under this contract may be performed by offshore resources, or by any resource in US territories outside of the continental United States, without the written consent of the Procuring Agency.</p> <p>The State of New Mexico, the State Auditor, the U.S. Procuring Agency of Health and Human Services, the U.S. Comptroller General, the U.S. General Accounting Office, or their authorized representatives will, at all reasonable times, have the right to enter the Contractor 's premises or such other places where duties under this Agreement are being performed to inspect, monitor, or otherwise evaluate (including periodic systems testing) the work being performed. The Contractor shall provide reasonable access to all facilities and assistance to the Procuring Agency and federal representatives.</p>
	<p>17.1.2 Provide All FS Infrastructure, Forms & Documents</p>	<p>The Contractor shall provide all office space, equipment, hardware, software, forms, and documents necessary to operate, maintain, and enhance the FS solution and to carry out all contracted functions.</p> <p>The Contractor shall supply, at Contractor's expense, all forms used for internal purposes and provider correspondence such as reports, remittance statements, provider letters, form letters, envelopes, computer paper, report forms, form request forms, Recipient Explanation of Medical Benefits (REOMB) forms, and all other stock and forms necessary for the FS operation. The only paper and forms supplied at the expense of the Procuring Agency shall be claim forms; forms used by providers as attachments to claims; specialized paper for</p>

Task Item	Sub Tasks	Description
		<p>printing of provider warrants; and provider enrollment applications.</p> <p>For forms and supplies, the Procuring Agency shall reimburse the CONTRACTOR for claim forms, forms used by Providers as attachments to claims, 1099 forms, provider enrollment applications, all notification letters, Medicaid ID cards, program policy manuals and billing instructions and envelopes used for mailing to providers and clients. All internal form and other supplies used by the Contractor are the financial responsibility of the Contractor. The Contractor should provide electronic media where possible to reduce pass-through cost.</p> <p>The Contractor shall monitor and maintain VPN/network connections and make recommendations to maintain communication with both Procuring Agency on-premises and cloud networks.</p>
	17.1.3 Courier and Delivery Services	<p>The Contractor shall provide a courier service for picking up documents and distributing documents between their New Mexico offices and the Procuring Agency, other state agencies, and Procuring Agency's contractors relevant to MMISR functions.</p> <p>At least three weekly courier runs must be provided, on Monday, Wednesday and Friday excluding holidays and closures.</p> <p>The Contractor shall provide for special courier runs when requested by the Procuring Agency due to an urgent need, in addition to the regular schedule.</p> <p>The Contractor shall document the delivery of reports and other data and track the status of deliveries.</p> <p>The Contractor shall provide for daily overnight delivery of documents between their New Mexico and out of state offices as required for timely communications and delivery of documents.</p>
17.2 Support Ongoing Certification Requirements		
	17.2.1 Key Performance Indicators	<p>The Contractor shall prepare the Key Performance Indicators (KPIs) on a quarterly and/or annual basis as needed and provide to the Procuring Agency so they can be reported to CMS.</p>

Task Item	Sub Tasks	Description
		<p>Upon Procuring Agency request, the Contractor shall provide the raw numbers used in any KPI calculations and/or explain such calculations.</p> <p>The Contractor shall be prepared to answer any questions from the Procuring Agency or CMS regarding the KPIs.</p>
17.3 Provide Training and Quality Management		
	17.3.1 Training	<p>The Contractor shall schedule for ongoing training of Procuring Agency and Contractor personnel in the use of the FS solution. Computer-based training may be used to supplement classroom training when approved by the Procuring Agency.</p> <p>A two-tiered approach to training will be employed to include general initial orientation and advanced training.</p> <p>The Contractor shall provide training to Contractor management personnel enabling them to understand the FS Contract requirements.</p> <p>The Contractor shall provide initial and ongoing training to all Procuring Agency staff and other agents of the Procuring Agency (e.g., utilization review contractor staff) that access and use the FS solution. Training classes to be scheduled and offered quarterly as agreed to by the Procuring Agency and Contractor.</p> <p>“Training can be scheduled on site or computer based as agreed to by the contractor and procuring agency”</p>
	17.3.2 Manuals and Training Materials	<p>The Contractor shall provide initial and updated training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help) to the Stakeholders on an agreed upon regular cadence.</p> <p>The Contractor shall maintain the User Manuals for all aspects of the system. These manuals will provide correct information in sufficient detail and user-friendly language, so that users may accomplish their everyday functions using the FS solution.</p> <p>The Contractor shall provide an initial and updated Business User Manual to the Stakeholders on an agreed upon regular cadence.</p>

Task Item	Sub Tasks	Description
		The Contractor shall provide initial and updated online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and support documentation for Stakeholder-specific business use of the FS tools and guidance to end Users in correct execution of User-performed application maintenance and report configuration activities on an agreed upon regular cadence.
	17.3.3 Knowledge Transfer	<p>The Contractor shall provide initial and updated, ongoing training, and knowledge transfer to the Stakeholders on an agreed upon regular cadence. The training shall include general initial orientation and advanced training.</p> <p>The Contractor shall provide initial and updated, ongoing instructor-led (either online or on site) and on-demand, self-paced training to the Stakeholders on an agreed upon regular cadence.</p> <p>The Contractor shall provide up to date knowledge transfer in the event there is a change in a subcontractor that provides any portion of the Contractor's solution, to ensure a smooth transition.</p>
	17.3.4 Quality Management	<p>The Contractor shall operate a formal quality management program, as approved by the Procuring Agency, with monthly periodic reports to the Procuring Agency.</p> <p>The Contractor shall meet with the Procuring Agency on a periodic basis to identify key areas to be addressed by the quality management program.</p>
17.4 Coordinate with Procuring Agency Staff and Program Stakeholders		
	17.4.1 Procuring Agency Direction	The Contractor shall ensure that all instructions used by the Contractor regarding claim resolution, payment levels and methodologies, system changes, changes to reports, and changes to a provider's status are in writing from an authorized Procuring Agency source and maintained by the Contractor for audit trail purposes.
	17.4.2 MMISR Planning Meetings	The Contractor shall provide appropriate representation to participate in planning tasks, in meetings, and on task forces for projects that affect MMISR, FS and its interfaces, or otherwise require coordination with the Contractor, at the Procuring Agency's request.
	17.4.3 Other State Agencies	The Contractor shall conduct requirement gathering tasks and requirement analysis tasks with other state agencies to prepare the FS solution for other state agency use, at the Procuring Agency's request.

Task Item	Sub Tasks	Description
		<p>The Contractor shall support processing claims for other state agencies by:</p> <ul style="list-style-type: none"> • Making FS system modifications to accommodate appropriate payment methodologies and enforce program rules and policies. • Accommodating needs for data and statistics for the other state agencies. <p>The Contractor shall allocate costs for non-Medicaid use of the MMIS according to a CMS approved Cost Allocation Plan.</p>
	17.4.4 Legal and Other Support	<p>The Contractor shall provide support for hearings, legal cases, audit, inquiries, and other studies as required, including testifying, attending meetings or other scheduled events, responding to subpoenas as directed by the Procuring Agency, and providing other documentation as required.</p>
	17.4.5 Contract Changes	<p>The Contractor shall negotiate in good faith and supply supporting documentation to determine rates and other costs for processing claims and providing other supporting activities when significant program expansions are implemented that significantly expand Contractor responsibilities.</p>
17.5 Tier 3 Contact Center		
	17.5.1 Tier 3 Inquiry Support	<p>The Contractor shall provide a Tier 3 support, which includes at a minimum:</p> <ul style="list-style-type: none"> • Provide Tier Three agent or liason in English and Spanish Monday through Friday from 7:30 AM to 5:30 PM Mountain Time, except for Procuring Agency holidays. • Provide a centralized contact center and help desk reporting capability of all contacts made to the PBM contact center and help desk that can be accessed and utilized by authorized Procuring Agency Staff for Provider and Member tracking and management. • Provide contact center, help desk, web knowledge base for PBM . <p>The Contractor shall provide complete integration with the CCSC by using the Procuring Agency's Salesforce instance to support its Tier 3 contact center.</p>

Task Item	Sub Tasks	Description
		The Contractor shall receive, respond to, and resolve requests from providers, clients, the Third-Party Assessor (TPA), other Medicaid contractors, state agencies, and Procuring Agency staff for information concerning billing, claims status, and other Contractor activities. These inquiries may be verbal or in writing. The demands utilizing this function may vary greatly from time to time due to variations in Contractor performance and changes in policies, procedures, or other Medicaid Program requirements.
17.6 Review and Acceptance		
	17.6.1 Review and Acceptance	The Contractor shall deliver implementations, results, and documentation for review and acceptance by Procuring Agency.
17.7 Manage Agreed Payment Schedule		
	17.7.1 Invoice Procuring Agency According to the Payment Schedule	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, plus including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$352.963.19 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$352.963.19 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$352.963.19</p>

Deliverable 18: Product Transition Planning and Management

<u>Deliverable Eighteen</u>	<u>Due Date</u>	<u>Compensation</u>
Product Transition Planning and Management	02-28-2026	Total Compensation \$0.00

Task Item	Sub Tasks	Description
18.1 Product Transition Planning and Management		
	18.1.1 Transition Plan	<p>The Contractor shall, upon request or at least one hundred and twenty (120) days before the contract ends, develop, and submit a FS Product Transition Plan as approved by Procuring Agency technical management that includes, at a minimum:</p> <ul style="list-style-type: none"> • An inventory document of all FS products, data, and schedules (software, hardware, data, configuration, job aids, manuals, technical reference materials). • Proposed transition plan to include security-related assets, and other tasks or activities as required by Procuring Agency. • Personnel and level of expected effort in hours. • Proposed transition schedule, including tasks and activities, start and end dates of each, dependencies, milestones, and resources as required and approved by Procuring Agency. • Any requirements for Procuring Agency or other MMISR Contractor participation as deemed required by Procuring Agency.
18.2 Review and Acceptance		
	18.2.1 Review and Acceptance	The Contractor will deliver documentation for review and acceptance by Procuring Agency.
18.3 Manage Agreed Payment Schedule		
	18.3.1 Invoice Procuring Agency According to the Payment Schedule	<p>The Procuring Agency According to the Operations Payment Schedule</p> <p>Contractor shall be paid a mixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>Base Year 2 May 1, 2024 – Jun 30, 2024 \$0.00 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$0.00 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$0.00</p>

Deliverable 19: Security

<u>Deliverable Nineteen</u>		<u>Due Date</u>	<u>Compensation</u>
Security		Start: 05-01-2024 End: 06-30-2026	Total Compensation \$0.00
Task Item	Sub Tasks	Description	
19.1 System Security Plan	19.1.1 System Security Plan	<p>The FS Contractor shall develop a System Security Design Plan (SSP) specific to the FS module that is compliant with the security plans defined by Procuring Agency and those defined by the System Integrator (SI) Vendor. The initial version will be completed 180 days after the design.</p> <p>Part A of the SSP shall provide a summary description of the FS module and of the associated security architectures and components. SSP Part B and Part C shall document security and privacy controls, respectively, that will be implemented to protect the FS module. SSP Part D shall contain attachments that support the information provided in SSP Parts A and B.</p>	
19.2 Privacy Impact Analysis	19.2.1 Privacy Impact Analysis	<p>The Privacy Impact Analysis documents the Module vendor's requirement to demonstrate their adherence to the requirements and standards from this template by documenting their approach in the CMS required format. The Contractor shall develop a Privacy Impact Analysis that:</p> <ul style="list-style-type: none"> • Identifies the specific types of confidential, restricted, and public data that the Contractor will collect, secure, share, store, use, process, disclose, or disseminate. • Analyzes the privacy risks associated with maintaining that information, and subsequently documents the results of analysis. • Contains privacy and security policies, procedures, and standards for its business partners and other third parties and the agreements that bind these entities, incident handling procedures, and privacy and/or security awareness programs and materials for its workforce. • Outlines the legal environment as specified by Procuring Agency (legal authorities and Federal/State privacy laws) that needs to be addressed for privacy of data. • Conforms to the CMS required format. 	

Task Item	Sub Tasks	Description
19.3 Incident Response Plan	19.3.1 Incident Response Plan	<p>Contractor will develop an Incident Management Plan and demonstrate how it will proficiently manage the monitoring, capturing, managing resolving and closing of incidents in the SI vendor's work and oversee and advise on module vendor's incidents and interdependencies. The plan will include the following categories of information:</p> <ul style="list-style-type: none"> • The Contractor's approach to leading, implementing, and conducting the processes described in this plan • How the Contractor's resources will be integrated into the processes described in this plan. • How the Contractor's monthly status report will account for the Contractor's execution and progress of Contractor roles and duties under this plan. • The Contractor's role in maintaining and updating this plan.
19.4 System Risk Assessment	19.4.1 System Risk Assessment	<p>The Contractor shall develop a System Risk Assessment that:</p> <ul style="list-style-type: none"> • Provides structured identification of risk exposure for the Financial Services Module • Addresses threats, vulnerabilities, risks, and • Recommends appropriate safeguards (management, operational, and technical controls) in support of continued business operations.
19.5 Security Certification & Accreditation	19.5.1 Security Certification & Accreditation	<p>The Contractor shall produce Certification and Accreditation documentation compliant with the CMS requirements for CMS certification. The documentation shall cover six (6) distinct phases to form a continuous security management practice. The documentation elements and sequence shall be as follows below:</p> <ul style="list-style-type: none"> • Certification and Accreditation Cover Memo • Table of Contents • Executive Summary • Security Certification Form • System Security Plan (SSP) • Information Security Risk Assessment (ISRA) • Contingency Plan (CP) • Test of the CP

Task Item	Sub Tasks	Description
		<ul style="list-style-type: none"> Security Test & Evaluation (ST&E) Report Plan of Action and Milestones
19.6 Review and Acceptance		
	19.6.1 Review and Acceptance	The Contractor will deliver documentation for review and acceptance by Procuring Agency.
19.7 Manage Agreed Payment Schedule		
	19.7.1 Invoice Procuring Agency According to the Payment Schedule	Base Year 2 May 1, 2024 – Jun 30, 2024 \$0.00 Base Year 3 Jul 1, 2024 – Jun 30, 2025 \$0.00 Base Year 4 Jul 1, 2025 – Jun 30, 2026 \$0.00

APPENDIX A
Transition to Ongoing Operations and Maintenance

I. Purpose:

Goal: The Human Services Department (Procuring Agency) is seeking the continued administrative support of its health care programs through the provision of technical and operational services. The Medicaid Management Information System (MMIS) that will be operated, maintained, and modified by the Contractor is essential to the effective administration of the Medicaid, Children’s Health Insurance, Procuring Agency Coverage Initiative, and other health care programs. The system enhancements included in the scope of work will ensure that the Procuring Agency continues to meet federal requirements while providing for increased program efficiency.

Objectives The New Mexico Human Services Department has established the following objectives for this project:

- a. Service continuation without interruption;
- b. Transition of responsibilities to new state-procured vendors;
- c. Assistance with data transfer, readiness testing and parallel runs through full transition of April 30, 2024
- d. Clear and concise transition plan

Certified Project Name:

Medicaid Management Information System Replacement Project (MMISR)

- I. **Transition Support:** Contractor shall perform and deliver all transition support for the MMISR Project and modules that are assuming the duties and functions of the MMIS. This includes data extracts, mapping and conversion of existing data and other integration of batches and interfaces from module vendors. The Contractor shall provide Transition support through the entirety of the transition through April 30, 2024 as necessary. The Contractor shall include in the transition plan dedicated staff to ensure transition is a priority and not compromised by other competing projects.
- II. **Performance Measures:** Contractor shall perform and deliver all specifications for each item labeled as a “Deliverable” in the Scope of Work. In the event the Contractor fails to obtain the results described in the Scope of Work, the Procuring Agency may provide written notice to the Contractor of the default and specify a reasonable period of time in which the Contractor shall advise the Procuring Agency of specific steps it will take to achieve these results and the proposed timetable for implementation. Nothing in this Section shall be construed to prevent the Procuring Agency from exercising its rights pursuant to **Article 6**.
- III. **Activities:** The Contractor will operate and maintain the OmniCaid component of the MMIS that is owned by the Procuring Agency and is currently in production. In addition,

the Contractor will operate and maintain several systems peripheral to OmniCaid to support functions such as drug claims processing; drug rebate; fraud and abuse detection; claims scanning, capture, storage, and retrieval; online report storage and retrieval; and inquiry or complaint tracking.

The Contractor will operate and maintain the MMIS using a mainframe computer and/or other platforms owned by the Contractor. The MMIS is used to process Medicaid Program claims as well as claims for other Procuring Agency medical programs, including, but not limited, to the Children's Medical Services Program for the Department of Health and the Child Protective Services Program for the Children, Youth and Families Department.

In addition to providing technical support for the MMIS, the Contractor will provide fiscal agent services, including claim processing and payment, provider enrollment, and customer service for providers and clients.

The Contractor will also function as the Financial Management Agent (FMA) for Mi Via, the state's self-directed waiver program for long-term care services. As part of its FMA responsibilities, the Contractor will operate a Plan of Care Management System, enter employer (the Mi Via participant) and employee information, perform background and criminal record checks on prospective employees, support timesheet and invoice processing, and generate employee and vendor payments.

The scope of work includes several system enhancements that will enable the Procuring Agency to meet federal requirements, provide additional self-service capabilities for clients and providers, increase efficiency and all transition cost.

Upon termination of the contract or upon request of the Procuring Agency, the Contractor must perform all activities required to successfully and smoothly turn over the MMIS or any of its functions and all corresponding work in progress to the Procuring Agency or its agent. Procuring Agency can amend the contract for future development and any unforeseen situations.

- V. Transition plan must outline how related deliverables will be terminated and contract cost adjusted once the Procuring Agency has approved the successor Contractor system relating to distinguished deliverable.

II. The Deliverables:

The following sections describe the required tasks and subtasks to be performed by the Contractor for each Deliverable under the terms of this Agreement. The Contractor must perform each task and/or subtask but is not limited to performing only the identified task or subtasks in a given project area. The Parties hereby agree that the Deliverable(s) are the controlling items and that the Contractor's obligation is to perform and deliver all specifications for each item labeled as a "Deliverable" in the following sections.

Deliverable 20: OmniCaid – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">OmniCaid – Ongoing Operation and Maintenance</p> <p align="center">[Monthly System Operations]</p>	<p align="center">Start: 01/01/2023</p> <p align="center">End: 04/30/2024</p>	<p>Total Compensation not to exceed \$9,089,690.11 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$568,105.63 per month • for 16 months.

Task Item	Subtasks	Description
<p>20.1 Support Required Interfaces and Reporting</p>	<p>20.1.1 Support New and Existing System Interfaces</p>	<p>The New Mexico OmniCaid system documentation identifies internal interfaces and interfaces with external entities that are necessary to support MMIS functions. The Contractor shall support these interfaces, modify them in response to changes in requirements, and develop new interfaces as necessary to support new program initiatives.</p>
	<p>20.1.2 Operate Existing MMIS System and Provide All Reports</p>	<p>The Contractor shall operate the existing OmniCaid system and related systems and shall provide all reports as specified in the current systems documentation. The Contractor will modify existing reports and develop and implement new reports as requested by the Procuring Agency.</p>
	<p>20.1.3 Provide All Technology Infrastructure & Staff Support</p>	<p>The Contractor shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the system</p>
	<p>20.1.4 Provide Regular Reports</p>	<p>The Contractor is responsible for the following general reporting tasks:</p> <p>20.1.4.1 Produce all required production reports on designated schedule, as agreed upon by the Procuring agency, as exists in OmniCaid or is referenced in system documentation and provide other reports and downloads of data on request.</p>
<p>20.1 Support Required Interfaces and Reporting</p>	<p>20.1.4 Provide Regular Reports (continued)</p>	<p>20.1.4.2 Provide electronic report output at the option of the Procuring Agency for any individual report and distribute such reports to the user(s).</p> <p>20.1.4.3 Maintain a list of all MMIS scheduled outputs, the frequency of production, and the media, and for reports</p>

Task Item	Subtasks	Description
<p>(continued)</p> <p>20.2 Provide Maintenance and Modification Support</p>	<p>20.1.5 Complete All Transform Medicaid Statistical Information System (T-MSIS) Reporting Tasks</p> <p>20.2.1 Meet Business Support Unit Specifications</p> <p>20.2.1 Meet</p>	<p>distributed via hard copy, the number of copies and to whom the copies are to be provided.</p> <p>The Contractor shall be responsible for all Transform Medicaid Statistical Information System (T-MSIS) reporting, including, but not limited to the following:</p> <p>20.1.5.1 Serving as the primary contact with the federal government or their Contractors in constructing, submitting, testing, and achieving approval on all T-MSIS submissions.</p> <p>20.1.5.2 Maintain and update crosswalks of data from the MMIS to federal T-MSIS reporting requirements.</p> <p>20.1.5.3 Produce T-MSIS reports and transmit them to the Centers for Medicare and Medicaid Services as required by the Centers for Medicare and Medicaid Services.</p> <p>20.1.5.4 Coordinate changes, error thresholds, corrections, and resubmissions as required with the Centers for Medicare and Medicaid Services or their Contractors.</p> <p>The Contractor shall provide a Business Support Unit composed of a staff of business analysts to provide analysis of operational issues, analysis of system problems and changes, conduct testing, develop, and distribute documentation updates, and other MMIS support functions.</p> <p>The Business Support Unit shall:</p> <p>20.2.1.1 Participate in the program planning and development functions at the Procuring Agency's request.</p> <p>20.2.1.2 Document system test and review test data results prior to sending results to the Procuring Agency for review.</p> <p>20.2.1.3 Support MMIS development through attending meetings and representing the Contractor when local representation is required.</p> <p>20.2.1.4 Investigate issues of data accuracy and validation for production reports.</p>

Task Item	Subtasks	Description
<p>20.2 Provide Maintenance and Modification Support (continued)</p>	<p>Business Support Unit Specifications (continued)</p>	<p>20.2.1.5 Support MMIS reporting activities through user training and technical support of the T-MSIS, Financial, FADS, Drug Rebate, and other MMIS reporting systems.</p> <p>20.2.1.6 Support MMIS operational activities through training and technically supporting MMIS users regarding MMIS system functions and capabilities, including reviewing and assisting with reviews of test data associated with system changes and/or development, and the meaning and use of values and codes in the MMIS.</p> <p>20.2.1.7 Investigate problem reports on operational and systems issues and make recommendations for correction.</p> <p>20.2.1.8 Remain informed on changes in transactions, codes and values at the national level and coordinates their introduction into the MMIS system with approval and input from the Procuring Agency.</p> <p>20.2.1.9 Review changes in national coding systems for impact on MMIS, exceptions, payment, and other claims processing issues.</p> <p>20.2.1.10 Review changes and proposed changes in program policies and reimbursement for impact on the MMIS and make recommendations for necessary changes in exceptions and parameters.</p> <p>20.2.1.11 Function as subject matter experts on MMIS data and databases.</p> <p>20.2.1.12 The Business Support Unit shall consist of a technically and operationally-experienced skilled staff consisting at minimum of a Business Support Manager and a sufficient number of Business Analysts to provide timely and responsive MMIS maintenance support, as proposed by the Contractor and accepted by the Procuring Agency.</p> <p>20.2.1.13 Business Support Unit personnel will be knowledgeable in the Medicaid Program and in the business needs and operations of the functional area(s) they support.</p> <p>20.2.1.14 Business Support Unit staff will possess the technical expertise to effectively use the MMIS.</p>

Task Item	Subtasks	Description
<p>20.2 Provide Maintenance and Modification Support (continued)</p>	<p>20.2.1 Meet Business Support Unit Specifications (continued)</p> <p>20.2.2 Meet System Maintenance Unit Specifications</p>	<p>20.2.1.15 The Contractor shall designate at least one Business Support Unit staff member to function as the liaison to the Medical Assistance Division to serve as a single point of contact on issues of claims processing and files maintenance.</p> <p>The Contractor shall provide a System Maintenance Unit comprising a staff of programmers to develop changes that may be required as a result of legislative decisions, program and policy changes, or errors discovered in the executable software.</p> <p>The System Maintenance Unit shall:</p> <p>20.2.2.1 Perform software updates and enhancements and maintain system documentation.</p> <p>20.2.2.2 Analyze and size change requests generated by the Procuring Agency.</p> <p>20.2.2.3 Perform software support and error correction.</p> <p>20.2.2.4 Be made up of a sufficient number of technically and operationally experienced and skilled professionals to provide timely and responsive MMIS maintenance support, as proposed by the Contractor and accepted by the Procuring Agency, under the leadership of an experienced Systems Manager, specifically dedicated to the New Mexico MMIS. At any given time the majority of the MMIS System Maintenance staff dedicated to the New Mexico MMIS must each have at least one year of experience working with MMIS or other healthcare payment systems.</p> <p>20.2.2.5 The Systems Manager will have a Bachelor's degree from a four-year accredited college or university or equivalent work experience and eight (8) years substantive experience in data processing management (systems or operations).</p> <p>20.2.2.6 System Maintenance Unit personnel will be knowledgeable in the Medicaid Program and in the business needs and operations of the functional area(s) they support.</p>

Task Item	Subtasks	Description
<p>20.2 Provide Maintenance and Modification Support (continued)</p>	<p>20.2.2 Meet System Maintenance Unit Specifications (continued)</p> <p>20.2.3 Provide a Dedicated System Development Consultant</p>	<p>20.2.2.7 The System Maintenance Unit will be in addition to the technical staff necessary for computer operating system support and support of peripheral but related systems such as the Pharmacy Benefits Management System, Web portal, Audio Voice Response System, Drug Rebate System, Fraud and Abuse Detection System, and the Contractor's HIPAA translation solution.</p> <p>Contractor shall assign at least one senior staff member with significant technical expertise regarding New Mexico's MMIS implementation as a System Development Consultant fully-dedicated to requests by the Procuring Agency for technically-detailed analyses of upcoming projects; state and federal initiatives; and critical system issues.</p> <p>20.2.3.1 At the direction of the Procuring Agency, the System Development Consultant shall perform additional reviews of system test results and provide recommendations to Procuring Agency staff for technical resolutions.</p> <p>20.2.3.2 At the direction of the Procuring Agency, the System Development Consultant shall represent the Procuring Agency at meetings with other Contractors and government agencies pertaining to technical initiatives.</p>
<p>20.3 Manage System Maintenance and Modification Activities</p>	<p>20.3.1 Maintain Written, Approved IT Processes</p> <p>20.3.2 Comply with Procuring Agency Codes and Regulations</p> <p>20.3.3 Provide</p>	<p>At a minimum, the Contractor shall have written processes approved by the Procuring Agency describing in detail how the Contractor shall perform the following functions as they relate to software development: software configuration management, requirements management, software project planning, software project tracking and oversight, software quality assurance, and system tests.</p> <p>All Project Planning and Program Management activities will comply with New Mexico Administrative Code Title 1, Chapter 12, Part 5 (1.12.5 NMAC) and other rules or regulations as established by the Procuring Agency or the New Mexico Department of Information Technology (DoIT).</p> <p>The Contractor shall provide the Procuring Agency with copies of the Contractor's IT management processes and related procedures, including, but not limited to, Software Development Life Cycle procedures.</p>

Task Item	Subtasks	Description
<p>20.3 Manage System Maintenance and Modification Activities (continued)</p>	<p>IT Process Documentation to the Procuring Agency</p> <p>20.3.4 Obtain Approval for IT Process Changes</p> <p>20.3.5 Provide Updated Versions of IT Process Documents</p> <p>20.3.6 Provide Detailed Documentation of Computer Code Changes Upon Request</p> <p>20.3.7 Maintain Written, Approved Change Management Process</p> <p>20.3.8 Meet Change Management Specifications</p>	<p>Any change to these processes or any related procedures will be made only after the Procuring Agency's approval.</p> <p>After completion of changes to any of these processes or to any related procedures, a new copy of any changed process or procedure will be provided to the Procuring Agency.</p> <p>Upon Procuring Agency request, the Contractor shall provide the Procuring Agency with detailed documentation for any change to computer code, including a description of the parts of the code were changed, the purpose of the change, and the specific changes that were made, along with an updated Version Description Document acceptable to the Procuring Agency.</p> <p>The Contractor shall use a written Change Management Process, approved by the Procuring Agency, for changes to the MMIS software, including releases of revisions or enhancements to the application software, and upgrades to programming languages and databases.</p> <p>The Contractor's written Change Management Process will include, at a minimum, provisions for the following activities:</p> <p>20.3.8.1 Development of a detail level analysis describing the required system changes and a detail level estimate identifying the estimated staff hours required to develop, test, implement and document the change.</p> <p>20.3.8.2 Procuring Agency approval of detail level analyses and estimates prior to starting programming of any system change initiated by the Procuring Agency, and of other changes upon request.</p> <p>20.3.8.3 Procuring Agency approval of the Contractor's test results prior to releasing any change initiated by the Procuring Agency, and for other changes upon request.</p>

Task Item	Subtasks	Description
<p>20.3 Manage System Maintenance and Modification Activities (continued)</p>	<p>20.3.8 Meet Change Management Specifications (continued)</p>	<p>20.3.8.4 An estimated completion date provided by the Contractor when requested by the Procuring Agency for a change request.</p> <p>20.3.8.5 Release management for new releases of the application software when applicable.</p> <p>20.3.8.6 Provision of advanced notice, consistent with Procuring Agency requirements, prior to implementing system changes and updates in order to ensure minimum down time and support coordination with the various Network Help Desks operated by the Procuring Agency.</p> <p>20.3.8.7 Update of system documentation and user manuals within fifteen (15) business days of updates or changes and supply of the updated version to the Procuring Agency in an electronic format.</p> <p>20.3.8.8 A method for the Procuring Agency to determine the estimated and actual hours allocated to change requests and the personnel assigned to each request, when requested by the Procuring Agency.</p> <p>20.3.8.9 A method for the Procuring Agency to determine the estimated and actual hours allocated to change requests and the personnel assigned to each request, when requested by the Procuring Agency.</p> <p>20.3.8.10 Updating the system from daily maintenance transactions.</p> <p>20.3.8.11 Monitoring and providing adequate space allocations for the system's data volume.</p> <p>20.3.8.12 Maintaining online access to system files within scheduled business hours.</p> <p>20.3.8.13 Purging, archiving, backing up, and restoring required data.</p> <p>The Contractor shall manage and track all change requests by using an automated change and tracking tool approved by the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>20.3 Manage System Maintenance and Modification Activities (continued)</p>	<p>20.3.9 Use an Approved Change Management Tracking Tool</p> <p>20.3.10 Provide Sufficient Classification Categories for Root Cause Analysis</p>	<p>The change tracking tool and process must provide for classifying and assigning defect types (root causes), including categories identical or comparable to the following:</p> <p>20.3.10.1 Code – code error or issue (requires development fix and re-test).</p> <p>20.3.10.2 SCM – Software Configuration/Migration issues identified in a migration package, or migration error (requires configuration fix and re-test).</p> <p>20.3.10.3 Env – The test environment caused the issue (requires fix to environment before re-testing).</p> <p>20.3.10.4 Proc – Test error due to input data or test sequence or validation error (requires correction to test plan and/or data followed by re-test).</p> <p>20.3.10.5 Reqs – The requirements were wrong or missed (requires business to fix requirements, then possible code modifications and re-testing).</p> <p>20.3.10.6 Design – Design was wrong (requires design fix, re-coding, and re-testing).</p> <p>20.3.10.7 As designed – Works as designed, and business code does not need to be fixed.</p> <p>20.3.10.8 Docs – Documentation error with requirement or design document or migration package (need to correct documents or document versions, but no impact to code).</p> <p>20.3.10.9 Not Repro – Issue is not reproducible.</p> <p>The change tracking tool must provide for collecting and trending metrics, to include:</p> <p>20.3.11.1 Number of change requests opened and closed per Quality Assurance reporting period.</p>

Task Item	Subtasks	Description
<p>20.3 Manage System Maintenance and Modification Activities (continued)</p> <p>20.4 Test Programming Changes</p>	<p>20.3.11 Collect and Analyze Trending Metrics</p> <p>20.3.12 Document Deficiencies Resulting from Insufficient System Maintenance</p> <p>20.4.1 Provide Sufficient Online Test Environments</p> <p>20.4.2 Conduct Tests Approved by the Procuring Agency</p> <p>20.4.3 Provide Test Documentation Upon Request</p> <p>20.4.4 Support the Procuring</p>	<p>20.3.11.2 Defect backlog (number in the open state) for each defect type.</p> <p>The Contractor shall document any deficiencies resulting from insufficient system maintenance. The document will provide a detailed description of the deficiency and the Contractor's plan for resolution of the problem.</p> <p>The Contractor shall provide multiple and complete online MMIS test environments to support unit, system, and acceptance testing, including test versions of all batch and online programs and files to be used for testing releases and non-release changes.</p> <p>The Contractor shall conduct repeatable testing in accordance with written processes and procedures approved by the Procuring Agency. The processes and procedures will not be changed without prior approval by the Procuring Agency. Test plans will be created for major system changes or as otherwise requested by the Procuring Agency.</p> <p>Documentation of test results for all Procuring Agency-initiated system changes, as well as other changes when requested by the Procuring Agency, will be provided to the Procuring Agency for review and approval.</p> <p>The Procuring Agency will conduct User Acceptance Testing (UAT) for user interface changes delivered by Contractor. The form of each UAT will be determined by the criticality, frequency, complexity, and novelty of the user task supported by each change; and by the staffing resources available to the Procuring Agency.</p> <p>20.4.4.1 Contractor shall support UAT by deploying the changes to the UAT environment from the system test environment and consulting with the Procuring Agency on any issues that the Contractor encountered during system testing.</p>

Task Item	Subtasks	Description
<p>20.4 Test Programmin g Changes (continued)</p>	<p>Agency’s Ongoing User Acceptance Testing</p>	<p>20.4.4.2 Contractor shall provide communication and planning with the Procuring Agency to help the Procuring Agency establish the format and plan for UAT.</p> <p>20.4.4.3 Procuring Agency shall provide a detailed UAT Plan including all user test scenarios and acceptance criteria, for review by Contractor at least fourteen (14) business days before the UAT sessions are scheduled to begin. Contractor shall review the UAT Plan and provide feedback to the Procuring Agency at least seven (7) business days before the UAT sessions are scheduled begin.</p> <p>20.4.4.4 Contractor shall deliver complete test scenario instructions for the designated users participating in the UAT, for each of the test scenarios in the UAT Plan, at least three (3) business days before the UAT sessions are scheduled to begin.</p>
<p>20.5 O&M Training</p>	<p>20.4.4 Support the Procuring Agency’s Ongoing User Acceptance Testing (continued)</p> <p>20.4.4 Support the Procuring Agency’s Ongoing User Acceptance Testing (continued)</p>	<p>20.4.4.5 Contractor shall provide a software tool (i.e., Rational) to log UAT defects and allow users to track the progress of the defect correction.</p> <p>20.4.4.6 Contractor shall review the list of UAT participants proposed by the Procuring Agency and identify any individuals who may have participated in the design or development of the system features being tested.</p> <p>20.4.4.7 Contractor shall migrate the changes in the system test environment to the UAT environment at least two (2) business days before the UAT testing is scheduled to begin.</p> <p>20.4.4.8 Contractor shall ensure UAT workstations are properly configured for the UAT environment.</p> <p>The Contractor shall provide a training environment that aligns with the production environment.</p> <p>The Contractor shall provide initial and updated, ongoing training materials, knowledge transfer materials, and other documentation (e.g., User guides, on-line help) to the Stakeholders on an agreed upon regular cadence.</p>

Task Item	Subtasks	Description
<p>20.6 Manage Agreed Payment Schedule</p>	<p>20.5.1 Training Material</p>	<p>The Contractor shall maintain the ongoing User Manuals for all aspects of the system. These manuals will provide correct information in sufficient detail and user-friendly language, so that users may accomplish their everyday functions using the MMIS.</p>
	<p>20.5.2 Business User Manual</p>	<p>The Contractor shall provide an initial and ongoing updated Business User Manual to the Stakeholders on an agreed upon regular cadence.</p> <p>The Contractor shall provide initial and ongoing updated online help (e.g., Screen Tip, hyperlinks to other documents, keyword search, chat, tool tips, definitions page, user guide, policy guidance, hover over help) and support documentation for Stakeholder-specific business use of the FS tools and guidance to end Users in correct execution of User-performed application maintenance and report configuration activities on an agreed upon regular cadence.</p> <p>The Contractor shall provide initial and updated, ongoing training, and knowledge transfer to the Stakeholders on an agreed upon regular cadence. The training shall include general initial orientation and advanced training.</p>
	<p>20.5.3 Knowledge Transfer</p>	<p>The Contractor shall provide initial and updated, ongoing instructor-led (either online or on site) and on-demand, self-paced training to the Stakeholders on an agreed upon regular cadence.</p> <p>The Contractor shall provide up to date knowledge transfer in the event there is a change in a subcontractor that provides any portion of the Contractor’s solution, to ensure a smooth transition.</p>
	<p>20.6.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>20.6.1.1 Jan 1, 2023 – Apr 30, 2024 \$568,105.63</p>

Deliverable 21: Pharmacy Benefits Management System (PBMS) – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty-One</u>	<u>Due Date</u>	<u>Compensation</u>
<p>PBMS – Ongoing Operation and Maintenance</p> <p>[Monthly System Operations]</p>	<p>Start: 01/01/2023</p> <p>End: 04/30/2024</p>	<p>Total Compensation not to exceed \$2,126,237.22 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$132,889.83 per month including NMGRT • for 16 months.

Task Item	Subtasks	Description
<p>21.1 Meet Claims Processing Requirements</p>	<p>21.1.1 Provide and Maintain a Pharmacy Benefits Management System (PBMS)</p>	<p>The Contractor shall provide and maintain a Pharmacy Benefits Management System (PBMS) with the capability to process electronic point of sale and paper transactions. The system will be accessible either by POS device or through a provider’s own practice management system. Providers will be responsible for obtaining and paying for required interface equipment, software, switch vendor, telecommunications (phone lines and service; analog, fiber optic, internet service provider, DSL, T-1 lines, etc.) and support services necessary to transmit and receive all data and messaging required under NCPDP standards in effect on given date of service.</p>
	<p>21.1.2 Meet the PBMS Specifications</p>	<p>The Contractor shall provide the following claims processing capabilities through the PBMS:</p> <p>21.1.2.1 The system, including online real-time adjudication of pharmacy claims shall be available twenty-four (24) hours per day, seven (7) days per week for provider billing purposes.</p> <p>21.1.2.2 Payment methodologies shall allow for variable dispensing fees based on provider, refill status, product selection activity by comparing the prescribed NDC to the dispensed NDC; variable limitations on days supply for defined groups of providers or recipients (e.g., Indian Health Service); all federal upper payment limits and restrictions, National Average Drug Acquisition Cost (NADAC), other payment limitations as directed by the Procuring Agency, and the ability to reimburse pharmacies as approved by the Procuring Agency in accordance with applicable federal regulations (42 CFR § 447.331 and 42 CFR § 447.332)</p>

Task Item	Subtasks	Description
<p>21.1 Meet Claims Processing Requirements (continued)</p>	<p>21.1.4 Maintain Flexibility of the PBMS</p>	<p>The PBMS must allow sufficient flexibility and adaptability to enforce Procuring Agency Pharmacy Program policies, including allowing different dispositions for different client groups, and for encounter data.</p>
	<p>21.1.5 Design the PBMS to Permit Administrator Overrides</p>	<p>The PBMS must provide the capability to permit overrides for emergencies, life-threatening illnesses, and other situations defined by the Procuring Agency and administered by the Contractor.</p>
	<p>21.1.6 Flexibility of Claims Processing</p>	<p>The PBMS must allow the Contractor's Pharmacy Support Help Desk staff to permit a claim to bypass specific edits when the provider submits an authorization issued by Contractor in accordance with Procuring Agency guidelines.</p>
<p>21.2 Meet Prospective Drug Utilization Review (ProDUR) Requirements</p>	<p>21.2.1 Provide Prospective Drug Utilization Review (ProDUR) Capabilities in the PBMS</p>	<p>The PBMS shall provide Prospective Drug Utilization Review (ProDUR) capability from the point-of-sale per 42 CFR § 456.700-705, using online real-time intervention at the point-of-sale with clinical edits to detect therapeutic duplication, drug/disease contraindication, drug/drug interaction, incorrect drug dosage, incorrect duration of drug treatment, clinical abuse or misuse, non-compliance/underutilization, excessive utilization, high cost, and not using first drug of choice.</p>
	<p>21.2.2 Meet Detailed PBMS Specifications for ProDUR</p>	<p>The PBMS must include the following ProDUR features:</p> <p>2.21.2.1 The ability to set variable, Procuring Agency-defined look-back periods.</p> <p>21.2.2.2 The ability to allow for the submitting provider to respond to alerts by overriding alerts, reversing the claim submitted, or for ProDUR denials, and to the extent possible using NCPDP standards, clear messaging as to reason for denial and phone number to call for follow-up.</p> <p>21.2.2.3 The ability to set edits which cannot be over-riden when the potential drug conflict reaches certain Procuring Agency-approved severity or significance levels. To the extent possible using NCPDP standards, the messages will be clear as to the meaning of each edit and what further actions are</p>

Task Item	Subtasks	Description
<p>21.2 Meet ProDUR Requirements (continued)</p>	<p>21.2.2 Meet Detailed PBMS Specifications for ProDUR (continued)</p>	<p>available (e.g., “prescriber must contact _____;” “pharmacy must contact _____”).</p> <p>21.2.2.4 Standards and criteria that can be used to lock-in individual recipients and providers for exceptional drug utilization patterns.</p> <p>21.2.2.5 Standards and criteria for review by the Pharmacy and Therapeutics Committee, along with any modifications recommended and approved by the Procuring Agency.</p> <p>21.2.2.6 Training for the Procuring Agency’s staff, for Contractor staff, and for providers on application of ProDUR principles.</p> <p>21.2.2.7 Support for interaction criteria in the system using flexible, statistically significant criteria so that only appropriate alerts/denials are transmitted back to the provider.</p> <p>21.2.2.8 Provide for monthly ProDUR reporting of screening for potential drug therapy problems as outlined in 42 CFR 453.705(b)(1-7), including drug-drug interactions by level of severity. Reporting will include the ability to sort by pharmacy, alert type, claims paid, claims denied, claims reversed, and number of claims by percent and dollar amount.</p> <p>21.2.2.9 Ability to identify the clinically significant alerts that the Procuring Agency has determined to receive an automatic denial.</p> <p>21.2.2.10 Online or other easily retrievable access to DUR criteria/screening.</p> <p>21.2.2.11 Provide an alert or a denial of a claim for over-utilization or under-utilization of drugs, drugs used in lower than or higher than effective doses, or refill patterns that suggest noncompliance by a patient.</p> <p>21.2.2.12 Provide an alert or a denial of a claim with a drug-use duration exceeding therapy recommendations, or failure to use the first drug of choice, but allow payment when appropriate according to criteria.</p>

Task Item	Subtasks	Description
<p>21.2 Meet ProDUR Requirements (continued)</p>	<p>21.2.2 Meet Detailed PBMS Specifications for ProDUR (continued)</p>	<p>21.2.2.13 Provide an alert or a denial of a claim where there is a prescribed overlap of two drugs from the same therapeutic class or generic class spread, or where drugs have the same or similar ingredients.</p> <p>21.2.2.14 Provide for each such alert or denial to inform the provider of the alert conflict type, alert severity (e.g., minor, major, etc.), and available data related to the alert (e.g., other drug or condition in conflict).</p> <p>21.2.2.15 Allow for online ProDUR responses from providers for Prospective Drug Utilization Review (ProDUR), to meet the requirement that providers enter codes for actions taken in response to drug interaction alerts and warnings and the outcomes of those actions. The POS system will maintain these acknowledgment codes in history, as well as report them in easily sorted electronic format.</p> <p>21.2.2.16 Support for the following technology requirements for ProDUR:</p> <p style="padding-left: 40px;">21.2.2.16.1 An editing process in the system that should be parameter or table-driven to meet the dynamic needs of the Pharmacy and Therapeutics Committee.</p> <p style="padding-left: 40px;">21.2.2.16.2 Online access to DUR criteria/screening tables so that potential changes can be reviewed at Pharmacy and Therapeutics Committee meetings.</p>
<p>21.3 Meet Retrospective Drug Utilization Review (RetroDUR) Requirements</p>	<p>21.3.1 Provide Retrospective Drug Utilization Review (RetroDUR) Capabilities</p> <p>21.3.2 Meet Detailed PBMS Specifications for RetroDUR</p>	<p>The PBMS will accommodate interfaces as necessary for Retrospective Drug Utilization Review (RetroDUR) activities through an agent designated by the Procuring Agency and with all Procuring Agency Contractors who may have responsibilities for analyzing information, making recommendation, or otherwise assisting the Procuring Agency with its drug program administration.</p> <p>The PBMS requirements for RetroDUR include:</p> <p>21.3.2.1 Marking a claim that has been set to pay and report for RetroDUR purposes.</p>

Task Item	Subtasks	Description
<p>21.4 Meet PBMS Reporting Requirements</p>	<p>21.4.1 Meet Detailed PBMS Reporting Specifications</p>	<p>2.3.2.2 Generation of data for RetroDUR purposes with monthly updates and summaries.</p> <p>21.3.2.3 Generate Quarterly letters for focused educational interventions based on RetroDUR criteria to providers and patients at the direction of the Procuring Agency.</p> <p>21.3.2.4 The capability to produce a report, upon request, listing all ProDUR encountered for specified members within the last twelve (12) months. Similar alerts will be listed first and then the remaining in chronological order.</p> <p>In addition to reports produced by the MMIS, the PBMS shall produce reports and other output documents in easily sorted, clearly titled, electronic formats, which may be customized to the Procuring Agency's needs, including reports for general program administration, including:</p> <p>21.4.1.1 Report of pharmacies by amount paid.</p> <p>21.4.1.2 Report of top prescribing physicians ranked by ingredient cost, number of prescriptions and average prescription cost.</p> <p>21.4.1.3 Report of the most prescribed drugs ranked by amount paid and by number of prescriptions.</p> <p>21.4.1.4 Report of pharmacy generic drug usage ranked by percent of generic prescriptions, based on type of reimbursement.</p> <p>21.4.1.5 Physician generic prescribing report ranked by percent of generic prescriptions.</p> <p>21.4.1.6 Claims payment summary.</p> <p>21.4.1.7 Member drug history profile, on request.</p> <p>21.4.1.8 A monthly denied claims summary that will include denial reasons, denial codes, and number and percent from each provider by both individual denial code and aggregate denials as defined by the Procuring Agency. This report will indicate the need for provider education to be undertaken by the appropriate Contractor staff when the percent of claims</p>

Task Item	Subtasks	Description
<p>21.4 Meet PBMS Reporting Requirements (continued)</p>	<p>21.4.2 Meet Detailed Reporting Specifications for the Drug File Reference Database</p> <p>21.4.3 Meet Detailed RetroDUR</p>	<p>denied due to provider error exceeds a threshold defined by the Procuring Agency.</p> <p>21.4.1.9 Per member per month pharmacy cost summary report.</p> <p>21.4.1.10 Report of all members with total monthly pharmacy expenditures greater than a threshold specified by the Procuring Agency.</p> <p>21.4.1.11 Member exception report.</p> <p>21.4.1.12 Report on the total dollar of paid pharmacy claims.</p> <p>In addition to reports produced by the MMIS, the PBMS shall produce reports and other output documents in easily sorted, clearly titled, electronic formats, which may be customized to the Procuring Agency's needs on drug file reference database updates and changes, including:</p> <p>21.4.2.1 Detail and summary reports for each automated table update including the total number of records received, processed, and successfully updated.</p> <p>21.4.2.2 An exception report that identifies any transactions that were included on the update tape, but had errors or inconsistencies, which prevented the records from being updated.</p> <p>21.4.2.3 A monthly report, as required by the Centers for Medicare and Medicaid Services, indicating all NDCs that have increased in price by greater than 50%. Drugs included in this report shall indicate NADAC prices in addition to the previous average wholesale price.</p> <p>21.4.2.4 Audit trails showing before and after data fields for drug tables updated manually.</p> <p>In addition to reports produced by the MMIS, the PBMS shall produce reports and other output documents in easily sorted, clearly titled, electronic formats, which may be customized to the Procuring Agency's needs for RetroDUR purposes, including:</p>

Task Item	Subtasks	Description
<p>21.4 Meet PBMS Reporting Requirements (continued)</p>	<p>Reporting Specifications</p> <p>21.4.3 Meet Detailed RetroDUR Reporting Specifications (continued)</p>	<p>21.4.3.1 Tracking and reporting on specific drugs, providers, groups of providers, and clients. The Contractor shall use this information to develop client profiles and provider profiles.</p> <p>21.4.3.2 Information to support the Procuring Agency in completing DUR reports as described in Section 1927 (g)(3)(D) of the Social Security Act.</p> <p>21.4.3.3 Claim, provider, and recipient files and control reports for the Procuring Agency.</p> <p>21.4.3.4 A monthly summary report that will contain a count of patients whose profiles are being flagged for the current month, a listing of patient names and numbers, and a listing of all drugs that caused profiles to be generated. This report will contain a count of the providers that caused profiles to be flagged and a listing of their names and shall identify what criteria were used.</p> <p>21.4.3.5 Specific patient drug history reports which include a chronological listing of all drugs being taken and summarize the number of prescribers/providers involved in a patient's therapy.</p> <p>21.4.3.6 Drug therapy risk assessment report. This report shall be generated before and after interventions are instituted to determine the impact of the DUR program on drug expenditures and drug therapy induced hospitalizations. This report shall be available at the first Pharmacy and Therapeutics Committee meeting following the generation of the report.</p> <p>21.4.3.7 Quarterly follow-up drug history profiles and reports.</p> <p>21.4.3.8 Provide quarterly educational intervention recommendations and reports based on RetroDUR analyses, including mix of educational interventions.</p> <p>21.4.3.9 Summarization report of the severity and the number of alerts that have occurred over a given period. Based upon the results of this report, specific reports to display additional detail for any given type or category of alert may be requested by the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>21.4 Meet PBMS Reporting Requirements (continued)</p>	<p>21.4.3 Meet Detailed RetroDUR Reporting Specifications (continued)</p> <p>21.5.1 Provide Additional Staff for the PBMS</p> <p>21.5.2 Ensure PBMS Support Staff are Qualified</p>	<p>21.4.3.10 Listings of all drug claims and diagnostic information per member and the amount of money involved.</p> <p>21.4.3.11 Quarterly reports for a user-defined period of time (e.g., all DUR activity that occurred between two dates) including alerts and denials by types, quantity, prescribing provider, and pharmacy provider.</p> <p>21.4.3.12 Month-to-date and year-to-date reports on the RetroDUR program.</p> <p>21.4.3.13 Periodic reports on costs and savings of the RetroDUR program.</p> <p>21.4.3.14 Reports based upon pharmacy and physician criteria, such as:</p> <p style="padding-left: 40px;">21.4.3.14.1 NDCs, generic drug codes, or therapeutic classification codes of drugs and specific ICD-10-CM.</p> <p style="padding-left: 40px;">21.4.3.14.2 NDCs, generic drug codes, or therapeutic classification codes and quantities of drugs prescribed by a specific physician or filled by a specific pharmacy.</p> <p>21.4.3.15 Annual DUR report for submission to the Centers for Medicare and Medicaid Services.</p> <p>21.4.3.16 Reports, upon request, that list all ProDUR and RetroDUR alerts encountered for specified members within the last 12 months.</p> <p>The Contractor shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the PBMS.</p> <p>The Contractor shall have the ability to accommodate existing and future NCPDP standards, accommodate Procuring Agency policies regarding drug program payments and benefits, provide client eligibility verification using NCPDP standards, utilize a preferred drug list as defined by the Procuring Agency, and supply data and information as necessary for the drug rebate data system and functions.</p>

Task Item	Subtasks	Description
21.5 Operate and Maintain the PBMS		<p>The Contractor shall produce and distribute via the EDMS, hard copy, or other Procuring Agency-approved means all production reports proposed as part of the Contractor's PBMS solution.</p> <p>All programming functions for the PBMS are the responsibility of staff assigned to PBMS support, and such staff is in addition to the System Maintenance Unit staff required by Deliverable 20.</p>
21.6 Modify the PBMS	21.6.1 Manage PBMS Revisions	<p>21.6.1.1 Programming staff assigned to support the PBMS will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.</p> <p>21.6.1.2 The Contractor shall develop, test, and implement software updates, corrections, and enhancements, including but not limited to the following subtasks:</p> <p style="padding-left: 40px;">21.6.1.2.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p style="padding-left: 40px;">21.6.1.2.2 Perform software support and error correction.</p> <p style="padding-left: 40px;">21.6.1.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
21.6 Modify the PBMS (continued)	21.6.1 Manage PBMS Revisions (continued)	<p>21.6.1.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
	21.6.2 Modify Claim Edits and Payment Methodologies at No Additional Charge	<p>The Contractor shall modify claim edits and payment methodologies as necessary or as defined by the Procuring Agency when policy or coverage changes are implemented at no additional charge to the Procuring Agency.</p> <p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross</p>

Task Item	Subtasks	Description
21.7 Manage Agreed Payment Schedule	21.7.1 Invoice the Procuring Agency According to the Operations Payment Schedule	Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule: 21.7.1.1 Jan 1, 2023 – Apr 30, 2024 \$132,889.83

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Deliverable 22: Plan of Care Management System (POCMS) – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty-Two</u>	<u>Due Date</u>	<u>Compensation</u>
<p>POCMS – Ongoing Operation and Maintenance</p> <p>[Monthly System Operations]</p>	<p>Start:01/1/2023 End: 04/30/2024</p>	<p>Total Compensation not to exceed \$4,631,446.74 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$289,465.42 per month including NMGRT, • for 16 months.

Task Item	Subtasks	Description
<p>22.1 Meet Plan of Care Management System’s General Requirements</p>	<p>22.1.1 Provide Appropriate POCMS Architecture</p>	<p>The Contractor’s Plan of Care Management System (POCMS) may consist of one system with all the functionality required to support Mi Via/SDCB FMA activities or multiple systems (e.g., Palco that interface with each other and provide specific functionality.</p>
	<p>22.1.2 Meet Detailed Specifications for POCMS</p>	<p>The POCMS must meet the following general requirements:</p> <p>22.1.2.1 Provide role-based security access and enforce user access, authentication, and authorization using role-based security consistent with Procuring Agency-approved standards.</p> <p>22.1.2.2 Provide automatic password expiration controls and user notifications consistent with Procuring Agency-approved standards.</p> <p>22.1.2.3 Conform to the requirements of Section 508 of the Rehabilitation Act for accessibility to people with disabilities.</p> <p>22.1.2.4 Support browser access using the most current versions of Microsoft Internet Explorer and Mozilla Firefox.</p>
<p>22.2 Meet Service and Support Plan System Requirements</p>	<p>22.2.1 Meet Detailed Specifications for SSP</p>	<p>The POCMS must meet the following requirements for Service and Support Plan (SSP) processing:</p> <p>22.2.1.1 Provide web-based capability for SSP entry, updating, and inquiry to match New Mexico’s SSP form.</p> <p>22.2.1.2 Generate automated email notifications to the Third-Party Assessor (TPA) and appropriate</p>

Task Item	Subtasks	Description
<p>22.2 Meet Service and Support Plan System Requirements (continued)</p>	<p>22.2.1 Meet Detailed Specifications for SSP (continued)</p>	<p>Consultant/Support Broker Agency for pending SSP entries, changes, approvals, and rejections.</p> <p>22.2.1.3 Generate automated email notifications to the TPA and appropriate Consultant/Support Broker Agency for SSPs with insufficient funds for payroll.</p> <p>22.2.1.4 Generate email notifications to the TPA and appropriate Consultant/Support Broker Agency of upcoming SSP expirations.</p> <p>22.2.1.5 Provide queuing and workflow capabilities for handling SSPs.</p> <p>22.2.1.6 Provide mechanism to modify existing SSPs and pend, review, approve, and reject service-level SSP changes.</p> <p>22.2.1.7 Validate participant/member eligibility on a daily basis based on data from the MMIS.</p> <p>22.2.1.8 Store key SSP dates, including but not limited to the date of expiration.</p> <p>22.2.1.9 Track payroll expenditures against SSP and display this data online.</p> <p>22.2.1.10 Provide the ability to produce the SSP as a report.</p>
<p>22.3 Meet Employer, Employee Enrollment and Vendor Enrollment System Requirements</p>	<p>22.3.1 Support Employer, Employee Enrollment and Vendor Enrollment</p>	<p>The POCMS must meet the following requirements for support of employer and employee enrollment:</p> <p>22.3.1.1 Provide the capability to print Employer Information Packets and Employee Information Packets with fields pre-populated from POCMS data.</p> <p>22.3.1.2 Provide web-based capability for entry, update, and inquiry of participant or member/employer, employee/vendor, Contractor, and Consultant /Support Broker Agency data.</p> <p>22.3.1.3 Provide web-based capability for entry, update, and inquiry of information packet data.</p>
	<p>22.3.1 Support</p>	

Task Item	Subtasks	Description
<p>22.3 Meet Employer, Employee Enrollment and Vendor Enrollment System Requirements (continued)</p> <p>22.4 Meet Timesheet and Payment Request System Requirements</p> <p>22.5 Meet Payroll and Financial System</p>	<p>Employer, Employee Enrollment and Vendor Enrollment (continued)</p> <p>22.4.1 Meet Detailed Timesheet and Payment Request Specifications</p> <p>22.5.1 Meet Detailed Payroll and Financial Processing Specifications</p>	<p>22.3.1.4 Provide web pages for entry and inquiry of employee changes and separations.</p> <p>22.3.1.5 Provide web pages to store license information, license indicators, and expiration dates.</p> <p>22.3.1.6 Provide online indicators for participants/members entering and leaving Mi Via/SDCB program.</p> <p>The POCMS must meet the following requirements for timesheet and payment request processing:</p> <p>22.4.1.1 Provide web-based capability for electronic timesheet submission, payment requests, and mileage reimbursements.</p> <p>22.4.1.2 Provide online editing to ensure that employees and Contractors do not report more than 40 hours per week on submitted timesheets.</p> <p>22.4.1.3 Provide web-based capability for approving or rejecting timesheet submissions, payment requests, and mileage reimbursements.</p> <p>22.4.1.4 Provide online editing to enforce existing and updated participant/member eligibility, total SSP annual amounts remaining, and employee/vendor validity as part of automated timesheet approval.</p> <p>22.4.1.5 Provide capability to print timesheet submissions, payment requests, and mileage reimbursements.</p> <p>The POCMS must meet the following payroll and financial processing requirements:</p> <p>22.5.1.1 Provide automated controls for accumulating, validating, and controlling historical expenditures on behalf of the participant/member, including New Mexico policy limits on environmental modifications.</p>

Task Item	Subtasks	Description
<p>Requirements</p> <p>2.5 Meet Payroll and Financial System Requirements (continued)</p>	<p>22.5.1 Meet Detailed Payroll and Financial Processing Specifications (continued)</p>	<p>22.5.1.2 Generate payments based on approved timesheets and invoices, including retroactive timesheets.</p> <p>22.5.1.3 Process and pay all correctly and timely submitted Mi Via/SDCB timesheets in the next scheduled timesheet payment cycle and all correctly and timely submitted Mi Via/SDCB invoices in the next scheduled invoice payment cycle unless the processing delay was beyond the Contractor's control.</p> <p>22.5.1.4 Compute deductions, gross wages, and net wages due to employees, including deductions for retroactive recoveries.</p> <p>22.5.1.5 Maintain payroll and payment information.</p> <p>22.5.1.6 Generate payroll reports for participants/members, employee, vendors, and the Procuring Agency.</p> <p>22.5.1.7 Maintain financial data to help support an annual reconciliation and reimbursement process for Federal Insurance Contributions Act (FICA), State Unemployment Tax Act (SUTA) and Federal Unemployment Tax Act (FUTA) dollars.</p> <p>22.5.1.8 Provide a debit card option for all SDCB employees, participants, employers, and vendors. The Money Network Payroll Debit Card (MNC) allows Contractor to load funds for payroll and other goods/services via Automated Clearing House (ACH) to a card that has been issued in that individual's name.</p> <p>22.5.1.9 Establish debit card program using Money Network Card (MNC) as follows:</p> <p>22.5.1.9.1 Produce and publish a Pay Selection Form with information and consent of the employee and employer for MNC selection and activation</p> <p>22.5.1.9.2 Process Pay Selection Forms submitted by employee and employer during either time of enrollment or at a later date</p> <p>22.5.1.9.3 Contractor will enter details from Pay Selection form and select a temporary paper check</p> <p>22.5.1.9.4 Process MNC requests from spreadsheet daily to obtain account and routing details from MNC</p>

Task Item	Subtasks	Description
		<p>22.5.1.9.5 Staff will enter details into the Contractor's or Contractor's Sub-Contractor's payroll and financial management system under the individual's account</p> <p>22.5.1.9.6 Once card is received and activated, individual will contact Contractor customer support to confirm receipt of card and details (account and routing numbers)</p> <p>22.5.1.9.7 Contractor will update pay type for that individual in the system to reflect MNC</p> <p>22.5.1.9.8 Once payment type is updated to reflect MNC, the system will process payment files delivered via Automated Clearing House (ACH) to the individual's MNC for all approved payments</p> <p>22.5.1.10 MNC is issued by Contractor or Contractor's Sub-Contractor in the individual's name for security of the card and to migrate the risk that a card may be shared with others. MNC allows capability for the system to issue funds for other goods and services, including payment for approved purchases and payments.</p> <p>22.5.1.11 Contractor will process Sub-Contractor payment requests and authorizations in the system.</p> <p>22.5.1.11.1 Sub-Contractor will issue ACH payment for allotted amount to the MNC on file for that individual based on the established payroll schedule</p> <p>22.5.1.11.2 Contractor will request verification or purchase form with receipt for records following payment being issued.</p> <p>22.5.1.12 Contractor will honor any existing deposit accounts transferred during the data transition that contain a valid routing and account number. If account details provided in the data transfer are found to be invalid for deposits, Sub-Contractor will require a pay selection form be completed to designate a new deposit account or allow for election of a MNC.</p> <p>22.5.1.13 Existing employees, employers, participants, or vendors of SDBC who do not have a MNC and wish to obtain one for processing of payments outside of payroll can request one by submitting a pay selection form to Contractor or Contractor's Sub-Contractor, at the direction of Contractor.</p>

Task Item	Subtasks	Description
<p>22.6 Meet MMIS Interface Requirements</p>	<p>22.6.1 Meet Detailed Plan of Care Management System (POCMS) Specifications for MMIS Interface</p>	<p>The POCMS must meet the following MMIS interface requirements:</p> <p>22.6.1.1 Maintain an interface with the MMIS to update participant/member eligibility data.</p> <p>22.6.1.2 Produce X12 837P claims and adjustments to reimburse payroll payments on behalf of participants/members, including adjustments for retroactive financial transactions, and submit those claims to the MMIS for processing.</p> <p>22.6.1.3 Maintain an interface with the MMIS to receive paid claims to support automated reconciliation with 837P claims submitted to the MMIS.</p> <p>22.6.1.4 Generate reports to identify discrepancies from the claim reconciliation process, including claims denied or suspended by the MMIS.</p> <p>22.6.1.5 Provide online inquiry into 837P claims produced and reconciliation results with MMIS paid claims.</p> <p>The POCMS must meet the following reporting requirements:</p>
<p>22.7 Meet Mi Via/SDCB FMA Reporting Requirements</p>	<p>22.7.1 Meet Mi Via/SDCB FMA Specifications</p>	<p>22.7.1.1 Generate monthly Per Member Per Month (PMPM) reports.</p> <p>22.7.1.2 Generate monthly participant or member/employer reports.</p> <p>22.7.1.3 Generate data to support the Procuring Agency's CMS-372 reporting.</p> <p>22.7.1.4 Generate operational reports to support timesheet and payroll processing.</p> <p>22.7.1.5 Generate utilization and analysis reports to support program management.</p> <p>22.7.1.6 Generate all IRS and New Mexico payroll, income tax, and workers compensation forms, reports, and data for employees and vendors, including but not limited to W-2 and 1099 forms.</p>

Task Item	Subtasks	Description
<p>22.8 Operate and Maintain POCMS</p>	<p>22.8.1 Provide All POCMS Operations, Infrastructure and Staff</p>	<p>The Contractor shall operate and maintain a POCMS according to the specifications proposed by the Contractor and accepted by the Procuring Agency.</p> <p>22.8.1.1 The Contractor shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the POCMS.</p> <p>The Contractor shall produce and distribute via the EDMS, hard copy, or other Procuring Agency-approved means all production reports proposed as part of the Contractor's POCMS solution.</p>
	<p>22.8.2 Produce and Distribute POCMS Production Reports</p>	<p>All programming functions for the POCMS are the responsibility of staff assigned to POCMS support and such staff is in addition to the System Maintenance Unit staff required by Deliverable 20.</p>
	<p>22.8.3 Provide Additional Staff for POCMS Support</p>	<p>Programming staff assigned to support the POCMS will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.</p>
	<p>22.8.4 Ensure POCMS Support Staff are Qualified</p>	<p>The Contractor shall develop, test, and implement software updates, corrections, and enhancements, including but not limited to the following subtasks:</p>
	<p>22.9.1 Manage POCMS Revisions</p>	<p>22.9.1.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>22.9.1.2 Perform software support and error correction.</p> <p>22.9.1.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p> <p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p>
<p>22.9 Modify POCMS</p>		

Task Item	Subtasks	Description
<p>22.10 Manage Agreed Payment Schedule</p> <p>22.11 Meet Electronic Visit Verification Requirements (EVV)</p> <p>22.11 Meet Electronic Visit Verification Requirements (EVV) (continued)</p>	<p>22.10.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p> <p>Meet EVV Implementation Requirements</p> <p>Meet EVV Implementation Requirements (continued)</p>	<p>22.10.1.1 Jan 1, 2023 – Jan 31, 2024 \$117,260.49</p> <p>22.11 CONTRATOR will set-up, prepare, and test the technology required for its performance of this Scope of Work, including the Financial Management System (“FMS”) Web-based System and EVV system requirements identified herein.</p> <p>22.11.1 Contractor will coordinate as necessary with Fiserv, the statewide EVV Contractor for New Mexico that is responsible for configuring and implementing the AuthentiCare solution for the SDCB program, on the interface between the Contractor’s MMIS and Fiserv’s AuthentiCare system subject to prior mutual agreement between Procuring Agency and Contractor on price, schedule, scope, resource, performance, SLA, and/or any other impacts (if any) of such coordination activities.</p> <p>22.11.2 EVV Solution will capture the following six required points of data as required by the 21st Century Cures Act in effect as of the date of this amendment:</p> <ul style="list-style-type: none"> 22.11.2.1 Type of service performed 22.11.2.2 Individual receiving services 22.11.2.3 Individual providing services 22.11.2.4 Date of the service 22.11.2.5 Location of the service 22.11.2.5 Time the service begins and ends <p>22.11.3 EVV Technology Options</p> <ul style="list-style-type: none"> 22.11.3.1 Make available to users the Contractor’s or Contractor’s Sub-Contractor’s telephony that will allow employees of SDCB to call a toll-free number and complete the check-in and check-out process via the participant’s landline or mobile phone. 22.11.3.2 Provide a mobile application that will allow the employees to check-in and check-out via a smart device. Contractor OR Contractor’s Sub-contract will preregister the device to capture accurate location integration with GPS technology. The mobile application shall be compatible with Android and iOS Operating Systems. The mobile application shall be available in English and Spanish, and for both Android and iOS. The mobile application shall

Task Item	Subtasks	Description
<p>22.11 Meet Electronic Visit Verification Requirements (EVV) (continued)</p>	<p>Meet EVV Implementation Requirements (continued)</p>	<p>provide the ability for employees to check-in and check-out when there is no land line or cell coverage (Limited Service Zones). The mobile application will store encrypted visit data for delayed transmission (store and forward) and automatically transmit this data when WiFi or cellular coverage is detected.</p> <p>22.11.3.3 Operate and maintain a third-party online time submission portal for review, edit and approval of time submissions received by employees of SDCB program. Notwithstanding anything to the contrary, the Procuring Agency shall not have any access, use, or other rights to the third-party portal except if and to the extent the third-party has granted such rights to the Procuring Agency directly or in its agreement with Contractor.</p> <p>22.11.3.4 Time entries will be batch uploaded to the online time submission portal by Contractor daily for employee and employer review and submission.</p> <p>22.11.3.5 Neither platform will include a scheduling feature, all services will be captured via the unscheduled visit feature to remain in line with the philosophy of self-direction and maintaining employer authority.</p> <p>22.11.3.6 Intentionally omitted.</p> <p>22.11.4 User Registration</p> <p>22.11.4.1 Produce registrations forms, training materials, user guides and instructions for users regarding both the mobile application and telephony</p> <p>22.11.4.2 Publish all registration materials on the Contractor website</p> <p>22.11.4.3 Contractor will distribute, collect and process EVV Registration Forms and enter data into Contractor portal in accordance with the policies and procedures established by Contractor and the Procuring Agency.</p> <p>22.11.4.4 Contractor will be responsible for collecting registration forms received from SDCB Employees and Employers (“EE”) and entering the data from the forms in the Contractor’s or Contractor’s Sub-Contractor FMS for both new and transitioning EEs.</p> <p>22.11.4.5 Contractor will enter the EEs valid and unique e-mail address.</p>

Task Item	Subtasks	Description
<p>22.11 Meet Electronic Visit Verification Requirements (EVV) (continued)</p>	<p>Meet EVV Implementation Requirements (continued)</p>	<p>22.11.4.6 Contractor will enter the device ID (EE’s cell phone) or participant’s landline during the enrollment process (Intake). 22.11.4.7 Contractor also will update changes to services and budgets in the Care Management Portal (CMP) 22.11.4.8 Contractor will register all Employee of Record (“EOR”) and EEs with Contractor’s payment application for both new and existing EEs. 22.11.4.9 Interactive Voice Response (IVR) registration will be completed by the EEs and entered into the Contractor’s CMP system. 22.11.4.10 Contractor will issue credentials to the EE end user for access to the portal and EVV mobile application.</p> <p>Contractor shall be paid a fixed monthly rate per member, per month (PMPM) for Electronic Visit Verification Requirements (EVV), including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>37.6.1.1 Jan 1, 2023 – Apr 30, 2024 \$289,465.42</p>

Deliverable 23: Drug Rebate System – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty-Three</u>	<u>Due Date</u>	<u>Compensation</u>
Drug Rebate System – Ongoing Operation and Maintenance [Monthly System Operations]	Start: 1/01/2023 End: 04/30/2024	Total Compensation not to exceed \$319,820.39 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$19,988.77 per month including NMGRT, • for 16 months.

Task Item	Subtasks	Description
23.1 Accommodate Required Drug Rebate Inputs	23.1.1 Accommodate Each Input Specified for the Drug Rebate System	<p>The Drug Rebate System shall accommodate the following inputs:</p> <p>23.1.1.1 Federal Centers for Medicare and Medicaid Services listing of Manufacturers with Drug Rebate Agreements.</p> <p>23.1.1.2 Centers for Medicare and Medicaid Services listing of quarterly rebate unit amounts.</p> <p>23.1.1.3 Pharmacy claims extracts.</p> <p>23.1.1.4 Weekly interest rates (based on U.S. Treasury bills).</p>
23.2 Provide Required Drug Rebate Functionality	23.2.1 Meet Detailed Specifications for the Drug Rebate System	<p>The Drug Rebate system must:</p> <p>23.2.1.1 Provide online access to pharmacy claims, the Centers for Medicare and Medicaid Services listing of Manufacturers with Drug Rebate Agreements, Centers for Medicare and Medicaid Services listing of quarterly rebate amounts, quarterly rebate invoiced amounts at the NDC Level, and other data as directed by the Procuring Agency.</p> <p>23.2.1.2 Support rebate updating for specific drugs and also at the manufacturer (labeler) level across all NDCs for that manufacturer when labelers submit updated or revised pricing.</p> <p>23.2.1.3 Maintain the pharmacy rebate agreement data online.</p>

Task Item	Subtasks	Description
<p>23.2 Provide Required Drug Rebate Functionality (continued)</p>	<p>23.2.1 Meet Detailed Specifications for the Drug Rebate System (continued)</p>	<p>23.2.1.4 Calculate quarterly rebate amounts due based on number of units per NDC from pharmacy claims and the Centers for Medicare and Medicaid Services listing of quarterly unit rebate amounts.</p> <p>23.2.1.5 Provide an automated method of checking invoices to determine whether any unit rebate amounts are zero and provide an electronic report that identifies rebate amounts equal to zero and send it to the Procuring Agency.</p> <p>23.2.1.6 Provide an automatic default of the unit rebate amount to the most recently paid rebate amount to address disputes unless that most recently paid rebate amount is zero.</p> <p>23.2.1.7 Provide the capability for inclusion of unit type conversion factors for drug unit type mismatches between the pharmacy claim unit types paid, and the drug manufacturer unit rebate amount types on the Centers for Medicare and Medicaid Services rebate list.</p> <p>23.2.1.8 Provide the ability to compare invoices to remittance advices returned by the manufacturer to determine which NDC line item is in dispute by providing an electronic version of all line items included in the quarterly invoice.</p> <p>23.2.1.9 Recalculate invoices if the amount the manufacturer submits is different from the invoice and judged to be correct.</p> <p>23.2.1.10 Identify inconsistencies between the rebate amount due and the amount paid to the pharmacy and flag the inconsistencies for review subject to Procuring Agency guidelines.</p> <p>23.2.1.11 Provide Procuring Agency staff with a method of extracting claims and other documentation for NDC line items that are in dispute via electronic media.</p> <p>23.2.1.12 Provide the capability to accept fractional and decimal amounts in the unit field to six digits to the right of the decimal point.</p> <p>23.2.1.13 Calculate interest on quarterly rebate amounts due. Interest will begin to accrue on the thirty-ninth day after the day of mailing the quarterly rebate invoices.</p>

Task Item	Subtasks	Description
<p>23.2 Provide Required Drug Rebate Functionality (continued)</p>	<p>23.2.1 Meet Detailed Specifications for the Drug Rebate System (continued)</p>	<p>23.2.1.14 Reconcile amounts paid to amounts invoiced by NDC line items.</p> <p>23.2.1.15 Provide the capability to invoice manufacturers electronically.</p> <p>23.2.1.16 Provide the capability to accept payments from the drug manufacturers electronically.</p> <p>23.2.1.17 Provide the capability to transmit requested detailed drug claim listings electronically as requested by the Procuring Agency via a query or ad hoc request.</p> <p>23.2.1.18 Provide the capability for the Procuring Agency to access and download drug rebate information electronically in a file type directed by the Procuring Agency.</p> <p>23.2.1.19 Maintain a drug manufacturer data set for processing drug rebate claims. The data set will be accessible to the Procuring Agency online and will include the following information at a minimum: manufacturer ID, manufacturer name, manufacturer labeler code, mailing address, legal name and phone numbers, effective date (start of calendar quarter in which the manufacturer begins participation), financial contact and phone numbers, technical contact and phone numbers, date agreement becomes effective, retroactive indicator, invoice media indicator, and stop dates.</p> <p>23.2.1.20 Maintain multiple effective date spans on the drug manufacturer records. Multiple segments are required to identify situations where a manufacturer becomes ineligible to participate in the Drug Rebate program for a period of time (as identified by the Centers for Medicare and Medicaid Services).</p> <p>23.2.1.21 Validate for consistency of measurement units between the Centers for Medicare and Medicaid Services and MMIS drug reference data and provide automated conversions where specified by the Procuring Agency.</p> <p>23.2.1.22 Provide the capability (if applicable) to separately identify drug rebate amounts by program-</p>

Task Item	Subtasks	Description
<p>23.2 Provide Required Drug Rebate Functionality (continued)</p>	<p>23.2.1 Meet Detailed Specifications for the Drug Rebate System (continued)</p>	<p>23.2.1.23 Provide the capability to exclude specified drugs from drug rebate information processing based on Procuring Agency-defined criteria.</p> <p>23.2.1.24 Provide the capability to perform batch and online updates to drug manufacturer data and to identify the sources of the updates.</p> <p>23.2.1.25 Capture address and other information (including last change date) supplied on the quarterly tape from the Centers for Medicare and Medicaid Services.</p> <p>23.2.1.26 Provide the capability to track pharmacy claims for Drug Rebate reporting by manufacturer via a desktop application. This will allow the Procuring Agency to derive claims level data based upon the Drug Rebate report application.</p> <p>23.2.1.27 Maintain a process to track Drug Rebate activities by NDC by manufacturer, including billing for manufacturers and tracking collection of rebates.</p> <p>23.2.1.28 Provide the capability to automatically determine the amounts of rebates due from each manufacturer, based on NDC codes, drug quantity units on paid pharmacy claims (both original and adjusted claims), rebate amounts, interest, and prior period adjustments per unit received from the Centers for Medicare and Medicaid Services.</p> <p>23.2.1.29 Provide the capability to manually enter and report on corrections to the NDC level on drug rebate invoices.</p> <p>23.2.1.30 Provide the capability to manually correct invoice records to the NDC level to support the dispute resolution process.</p> <p>23.2.1.31 Maintain original and corrected invoice information at the NDC level.</p> <p>23.2.1.32 Maintain an audit trail of all changes made to invoices and flag invoice records that have been changed to facilitate future processing.</p>

Task Item	Subtasks	Description
<p>23.2 Provide Required Drug Rebate Functionality (continued)</p>	<p>23.2.1 Meet Detailed Specifications for the Drug Rebate System (continued)</p>	<p>23.2.1.33 Provide the capability to display original and corrected records on reports defined by the Procuring Agency.</p> <p>23.2.1.34 Create an electronic Drug Rebate Accounts Receivable report automatically when the drug manufacturer invoices are produced.</p> <p>23.2.1.35 Provide the capability to transmit Accounts Receivable and balances to the Procuring Agency's Accounting System as required.</p> <p>23.2.1.36 Maintain a mechanism to identify providers that are public health service entities (as identified by the Centers for Medicare and Medicaid Services) that have separate agreements with manufacturers under the Veterans Health Care Act of 1992 and subsequent amendments, with effective dates. It is very important that these entities are not invoiced.</p> <p>23.2.1.37 Provide the capability to exclude from drug rebate invoices those units paid to public health service entities that have separate drug rebate agreements with manufacturers under the Veterans Health Care Act of 1992 and subsequent amendments.</p> <p>23.2.1.38 Provide the capability to perform online changes to Accounts Receivable information, including the amount owed. The online changes may be made by the Procuring Agency's Fiscal Management Bureau and by the Procuring Agency's Drug Rebate Analyst.</p> <p>23.2.1.39 Maintain the following information on the drug rebate accounts receivable by Labeler or by NDC including labeler number, original invoice amount, invoiced units/paid units, paid amount and date, applicable rebate quarter, adjusted invoice amount (multiple segments with dates), adjustment codes, additional payments (multiple segments with payment dates), interest charges, write-off reason, write-off amount and date, balance amount.</p> <p>23.2.1.40 Maintain an automated drug rebate dispute tracking system. This system should track by labeler and by NDC, the manufacturer name, number, invoiced amount, invoiced quantity, manufacturer's paid quantity for the NDC, unpaid</p>

Task Item	Subtasks	Description
<p>23.2 Provide Required Drug Rebate Functionality (continued)</p>	<p>23.2.1 Meet Detailed Specifications for the Drug Rebate System (continued)</p>	<p>quantity (positive or negative), rebate amount per unit, unpaid rebate amount, dispute reason, interest owed, and quarter.</p> <p>23.2.1.41 Provide the capability to receive manufacturers' dispute information electronically.</p> <p>23.2.1.42 Maintain the capability to merge pharmacy claims with provider table records for dispute resolution.</p> <p>23.2.1.43 Maintain an electronic table of all paid pharmacy claims for disputed products (NDCs) for the rebate quarter under review to facilitate dispute research.</p> <p>23.2.1.44 Add Drug Rebate data to the Data Warehouse equivalent.</p> <p>23.2.1.45 Generate prescription/invoice request reports to billing pharmacies for the purpose of requesting information on claims for disputed products.</p> <p>23.2.1.46 Provide the capability to override recoupments in accordance with criteria provided by the Procuring Agency.</p> <p>23.2.1.47 Provide the capability to automatically recalculate the utilization for each disputed NDC for all manufacturers after all adjustments have been recorded.</p> <p>23.2.1.48 Provide an automated mechanism to subject each disputed prescription to a series of queries that compare the billed amount, quantity paid, and system-calculated allowed amount (the maximum amount the Procuring Agency will pay of the prescription) in order to identify the universe of claims for disputed products.</p> <p>23.2.1.49 Provide the capability to track and process prior period adjustments.</p> <p>23.2.1.50 Maintain an automated tickler file to track Drug Rebate disputes. This will provide information on non-responding manufacturers.</p>

Task Item	Subtasks	Description
<p>23.3 Meet Drug Rebate Reporting Requirements</p>	<p>23.3.1 Meet Detailed Specifications for Drug Rebate Reporting</p>	<p>23.2.1.51 Maintain a process to calculate and apply interest to Accounts Receivable based on drug rebates due to the Procuring Agency from manufacturers.</p> <p>23.2.1.52 Accept data and calculate drug rebates for NDC codes that may be submitted on CMS-1500 and UB-04 forms and 837P and 837I claims.</p> <p>23.2.1.53 The Drug Rebate System shall have the functionality to convert HCPCS codes for injectable items to NDC codes and claim the drug rebate when a direct one-to-one association can be established between a HCPCS code and an NDC code.</p> <p>The Drug Rebate system must provide the following outputs:</p> <p>23.3.1.1 Drug rebate reports (for the Procuring Agency and for manufacturers) in electronic formats as well as on paper.</p> <p>23.3.1.2 Reports and bills to manufacturers on rebate details and amounts due.</p> <p>23.3.1.3 Reports to track rebate recoveries.</p> <p>23.3.1.4 Detail drug claims listing reports.</p> <p>23.3.1.5 Drug rebate dispute spreadsheets and reports</p> <p>23.3.1.6 Reports on the effects of drug rebate dispute claim adjustments on aggregate utilization by quarter.</p> <p>23.3.1.7 Updated utilization summaries on disputed products with information specified by the Procuring Agency.</p> <p>23.3.1.8 Periodic reports on current and past Accounts Receivable information for each drug manufacturer.</p> <p>23.3.1.9 Reports on interest billed and collected as imputed by the Procuring Agency.</p> <p>23.3.1.10 Reports on payment discrepancies and disputes with manufacturers.</p>

Task Item	Subtasks	Description
<p>23.3 Meet Drug Rebate Reporting Requirements (continued)</p>	<p>23.3.1 Meet Detailed Specifications for Drug Rebate Reporting (continued)</p>	<p>23.3.1.11 Reports on drugs excluded from the drug rebate invoice process.</p> <p>23.3.1.12 Reports to billing pharmacies requesting information on claims for disputed products. These reports will include dates of service, beneficiaries, and prescription numbers. The NDCs and the quantities billed will not be included on these reports. These reports will be used to confirm the accuracy of the claims data; it will be the providers' responsibility to review their records to ascertain that the quantities billed and NDCs are accurate on the claims.</p> <p>23.3.1.13 Letters to manufacturers to accompany invoices.</p> <p>23.3.1.14 Interest statements to manufacturers. These statements will accompany the invoices.</p> <p>23.3.1.15 Manufacturer drug rebate invoices in both electronic format, with Procuring Agency capability to update pricing information, drug exclusions and contact information, and in paper format.</p> <p>23.3.1.16 Reports showing amounts rebated compared to amounts paid by manufacturers by NDC quarter by line item.</p> <p>23.3.1.17 Summary reports of Drug Rebate dispute amounts by dispute code by drug manufacturer labeler code.</p> <p>23.3.1.18 Quarterly drug rebate information in a form compatible with CMS-64 reporting requirements.</p> <p>23.3.1.19 A utilization file, transmitted to CMS quarterly, of all invoices including prior quarter adjustments and adjustments resulting from dispute resolutions and claim unit changes.</p>
<p>23.4 Operate and Maintain Drug Rebate System</p>	<p>23.4.1 Provide All Drug Rebate System (DRS) Operations, Infrastructure & Staff Support</p>	<p>The Contractor shall operate and maintain a Drug Rebate System according to the specifications proposed by the Contractor and accepted by the Procuring Agency.</p> <p>23.4.1.1 The Contractor shall supply the necessary hardware, software, telecommunications and other components and</p>

Task Item	Subtasks	Description
<p>23.4 Operate and Maintain Drug Rebate System (continued)</p> <p>23.5 Modify Drug Rebate System</p>	<p>23.4.2 Produce and Distribute DRS Reports and Bills</p>	<p>information technology staff support to operate the Drug Rebate System.</p> <p>The Contractor shall produce and distribute via the EDMS, hard copy, or other Procuring Agency-approved means all reports and bills relating to drug rebates proposed as part of the Contractor's Drug Rebate System solution.</p>
	<p>23.4.3 Generate DRS Utilization Summary Reports</p>	<p>The Contractor shall generate updated utilization summary reports for disputed products and submit the reports to the Procuring Agency.</p>
	<p>23.4.4 Transfer DRS Files from Point of Sale System</p>	<p>The Contractor shall transfer files from the Point of Sale (POS) System in an agreed upon format required to accomplish drug rebate tasks.</p>
	<p>23.4.5 Provide Additional Staff for DRS System Support</p>	<p>All programming functions for the Drug Rebate System are the responsibility of staff assigned to Drug Rebate System support and such staff is in addition to the System Maintenance Unit staff required by Deliverable 2.</p>
	<p>23.4.6 Ensure DRS Rebate System Support Staff are Qualified</p>	<p>Programming staff assigned to support the Drug Rebate System will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.</p>
	<p>23.5.1 Manage DRS Revisions Management</p>	<p>The Contractor shall develop, test, and implement software updates, corrections, and enhancements, including but not limited to the following subtasks:</p> <p>23.5.1.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>23.5.1.2 Perform software support and error correction.</p> <p>23.5.1.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>

Task Item	Subtasks	Description
23.6 Manage Agreed Payment Schedule	23.6.1 Invoice the Procuring Agency According to the Operations Payment Schedule	Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule: 23.6.1.1 Jan 1, 2023 – Apr 30, 2024 \$19,988.77

Deliverable 24: Automated Voice Response System (AVRS) – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty-Four</u>	<u>Due Date</u>	<u>Compensation</u>
<p>AVRS – Ongoing Operation and Maintenance</p> <p>[Monthly System Operations]</p>	<p>Start: 1/01/2023</p> <p>End: 04/30/2024</p>	<p>Total Compensation not to exceed \$24,935.18 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$1,558.45 per month including NMGRT • for 16 months.

Task Item	Subtasks	Description
<p>24.1 Meet Automated Voice Response System Requirements</p>	<p>24.1.1 Implement an AVRS</p> <p>24.1.2 Provide Sufficient Ports for AVRS</p> <p>24.1.3 Meet Detailed Specifications for the AVRS</p>	<p>The Contractor shall support the Automated Voice Response System (AVRS), per procuring agency, that enables providers and clients to perform specific functions.</p> <p>The AVRS must include sufficient ports to meet the performance standards of the Procuring Agency.</p> <p>The AVRS must include the following functionality for providers:</p> <p>24.1.3.1 The AVRS must allow providers to verify client eligibility for a single date of service, including category of eligibility, managed care enrollment, lock-in, other insurance, and Medicare coverage. Eligibility may be obtained by entering the client ID number, the card control number, or both the Social Security Number and date of birth.</p> <p>24.1.3.2 The AVRS must allow providers to obtain the amount of their most recent weekly payment amount.</p> <p>24.1.3.3 The AVRS must allow providers to obtain the status of a claim by entering the claim’s Transaction Control Number (TCN) or both the client ID number and date of service. The AVRS must include the following functionality for clients:</p> <p>24.1.3.4 AVRS client functions must support English and Spanish language prompts.</p>

Task Item	Subtasks	Description
24.2 Operate and Maintain AVRS	24.2.1 Provide All AVRS Operations, Infrastructure & Staff Support	<p>24.2.1.1 The Contractor shall operate and maintain an AVRS according to the specifications proposed by the Contractor and accepted by the Procuring Agency.</p> <p>24.2.1.2 The Contractor shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the AVRS.</p> <p>The Contractor shall produce and distribute via the EDMS, hard copy, or other Procuring Agency-approved means all production reports proposed as part of the Contractor's AVRS solution.</p> <p>All programming functions for the AVRS are the responsibility of staff assigned to AVRS support and such staff is in addition to the System Maintenance Unit staff required by Deliverable 20.</p> <p>Programming staff assigned to support the AVRS will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.</p>
24.2 Operate and Maintain AVRS (continued)	24.2.2 AVRS Production Reports 24.2.3 Provide Additional Staff for AVRS Support 24.2.4 Ensure AVRS Support Staff are Qualified 24.2.5 Ensure AVRS Maintains Agreed Service Level 24.2.6 Minimize AVRS Busy Signals and Wait Time 24.2.7 Provide AVRS Weekly Reports	<p>The Contractor shall ensure that the AVRS is operational twenty-four (24) hours per day, seven (7) days per week with maintenance and support downtime for the AVRS scheduled for the low utilization periods when OmniCaid is also scheduled for maintenance and support.</p> <p>The Contractor shall ensure there are sufficient incoming lines to access AVRS so that no more than 5% of incoming calls ring busy. The average wait time shall not exceed two (2) minutes. The AVRS will allow for a provider to hold until a connection is made. The call completion rate shall not be below 90%.</p> <p>The Contractor shall provide to the Procuring Agency weekly reports containing AVRS call statistics identifying total calls, completed calls, abandoned calls, average time on call, and average wait time. The reports shall be provided in a Procuring Agency-approved format.</p>

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Deliverable 25: Electronic Document Management System (EDMS) – Ongoing Operation and Maintenance [Monthly System Operations]

<u>Deliverable Twenty-Five</u>	<u>Due Date</u>	<u>Compensation</u>
<p>EDMS – Ongoing Operation and Maintenance</p> <p>[Monthly System Operations]</p>	<p>Start: 1/01/2023</p> <p>End: 4/30/2024</p>	<p>Total Compensation not to exceed \$352,698.82 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$22,043.68 per month including NMGR • for 16 months.

Task Item	Subtasks	Description
<p>25.1 Meet Electronic Document Management System Requirements</p>	<p>25.1.1 Provide an EDMS</p> <p>25.1.2 Store EDMS Images in Approved File Format</p> <p>25.1.3 Provide an ERM Repository</p> <p>25.1.4 Provide EDMS Access Security</p> <p>25.1.5 Comply with Specified New Mexico Administrative Codes</p>	<p>The Contractor shall support an Electronic Document Management System (EDMS) that performs scanning, image storage and retrieval, and optical character recognition of submitted claims.</p> <p>Images shall be stored in an industry-standard, Procuring Agency-approved format that is not restricted to a specific platform or system in order to permit their transfer to another EDMS.</p> <p>The EDMS must include an Enterprise Report Management (ERM) repository, formerly known as “Computer Output to Laser Disc” (COLD), to provide storage and retrieval for all MMIS reports.</p> <p>25.1.3.1 The ERM repository shall provide for easy access and search keys in order to locate specific data amid a large number of reports.</p> <p>25.1.3.2 The Contractor shall provide sufficient storage capacity so that reports may be retained in the ERM repository indefinitely.</p> <p>The EDMS must incorporate security features restricting access to authorized Contractor and Procuring Agency users.</p> <p>The EDMS and Contractor’s operating procedures shall meet the requirements of the New Mexico Administrative Code as specified in Title 1, Chapter 13, Part 3 (1.13.3 NMAC), "Management of Electronic Records"; and in Title 1, Chapter 15 (1.15 NMAC), “General Records Retention and Disposition Schedules” as appropriate to the specific records being stored.</p>

Task Item	Subtasks	Description
25.2 Operate and Maintain EDMS	<p>25.2.1 Provide All EDMS Operations, Infrastructure & Staff Support</p> <p>25.2.2 Retain ERM Records Seven (7) Years</p> <p>25.2.3 Provide Additional Staff for EDMS Support</p> <p>25.2.4 Ensure EDMS Support Staff are Qualified</p>	<p>25.2.1.1 The Contractor shall operate and maintain the EDMS and the EDMS Workflow according to the specifications proposed by the Contractor and accepted by the Procuring Agency.</p> <p>25.2.1.2 The Contractor shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the EDMS.</p> <p>The Contractor shall retain reports stored in the ERM repository for seven (7) years; reports are not to be purged or archived without the Procuring Agency's written permission.</p> <p>All programming functions for the EDMS are the responsibility of staff assigned to EDMS support and such staff is in addition to the System Maintenance Unit staff required by Deliverable 20.</p> <p>Programming staff assigned to support the EDMS will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.</p>
25.3 Modify EDMS	25.3.1 Manage EDMS Revisions	<p>The Contractor shall develop, test, and implement software updates, corrections, and enhancements, including but not limited to the following subtasks:</p> <p>25.3.1.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>25.3.1.2 Perform software support and error correction.</p> <p>25.3.1.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
25.4 Manage Agreed Payment Schedule	25.4.1 Invoice the Procuring Agency According to the Operations	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>25.4.1.2 Jan 1, 2023 – Apr 30, 2024 \$22,043.68</p>

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Task Item	Subtasks	Description
	Payment Schedule	

Deliverable 26: Ongoing Disaster Avoidance and Recovery [Monthly System Operations]

<u>Deliverable Twenty-Six</u>	<u>Due Date</u>	<u>Compensation</u>
<p>Ongoing Disaster Avoidance and Recovery</p> <p>[Monthly System Operations]</p>	<p>Start:1/01/2023</p> <p>End: 4/30/2024</p>	<p>Total Compensation not to exceed \$116,188.22 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$7,261.76 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
<p>26.1 Maintain Disaster Avoidance Measures</p>	<p>26.1.1 Meet Detailed Specifications for Disaster Avoidance</p>	<p>The Contractor shall provide for Disaster Avoidance by maintaining all necessary safeguards against the destruction, loss, and improper alteration of the System Data, including the following:</p> <p>26.1.1.1 Protection from disaster through multiple levels of hardware and software redundancy and the off-site storage of backup files that will allow the Contractor to recover from unexpected failures without interruption in service except for the time required to activate the Contractor’s hot site and load backup software and files.</p> <p>26.1.1.2 Reliability and high availability features to ensure delivery of continuous operation and the integrity and reliability of MMIS data, including: automatic recovery, online backup, roll-forward, failover, and replication. The MMIS will be available twenty-four (24) hours per day, seven (7) days per week unless down time is approved in advance by the Procuring Agency.</p> <p>26.1.1.3 Backup servers to load balance and provide continued access to the System in the event a server fails.</p> <p>26.1.1.4 Redundancy and fault tolerance of the data repository through disk arrays on the database servers; servers will be configured in clusters with redundant processors that take over in the event of CPU/memory failures.</p> <p>26.1.1.5 Application monitoring software that will ensure that, if a process on the server fails, it is restarted automatically and with little perceptible delay to the users.</p>

Task Item	Subtasks	Description
<p>26.1 Maintain Disaster Avoidance Measures (continued)</p>	<p>26.1.1 Meet Detailed Specifications for Disaster Avoidance (continued)</p>	<p>26.1.1.6 System backups (daily for data and weekly for applications) that will be stored off-site at secure and fireproof locations. Backup procedures, including the media, format, frequency, type (incremental versus full) and storage locations shall be subject to the Procuring Agency's review and approval.</p> <p>26.1.1.7 Uninterruptible power supplies and programs, including battery power that will protect the network and systems from spikes or drops in incoming power, generators at the MMIS platform location that can provide alternative power for at least 24 hours in the event of a regional power outage, and regularly scheduled tests of the Contractor's ability to switch to battery or generator power.</p>
<p>26.2 Develop and Maintain Disaster Recovery/Business Continuity Plan</p>	<p>26.2.1 Deliver Complete DR/BCP Plan in Agreed Time Period</p> <p>26.2.2 Adapt to Changing DR/BCP Standards at No Additional Charge</p> <p>26.2.3 Provide All DR/BCP Planning and Infrastructure</p> <p>26.2.4 DR/BCP Plan Revision Management</p>	<p>The Contractor shall provide a Disaster Recovery (DR)/Business Continuity (BCP) Plan to the Procuring Agency. The DR/BCP Plan will provide for a wide range of disasters that could affect one or more of the MMIS system's locations and will provide a strategy to protect the MMIS data and maintain continuous operations during and after those disasters with minimal disruption.</p> <p>The Contractor shall modify the DR/BCP Plan as required to meet changing conditions or policies from the state at no additional charge to the Procuring Agency.</p> <p>The Contractor supplies the DR/BCP Plan and provides all the hardware, software and/or services to support and carry out the DR plan. The Contractor shall provide at least one alternate location for business recovery in the event of a disaster.</p> <p>The Procuring Agency will review the DR/BCP Plan and request modifications and additions as necessary. The Contractor shall make changes as necessary to obtain Procuring Agency approval prior to the start of the Contract.</p>

Task Item	Subtasks	Description
<p>26.2 Develop and Maintain Disaster Recovery/Business Continuity Plan (continued)</p>	<p>26.2.5 Meet Detailed Specifications in the DR/BCP Plan</p>	<p>The Contractor shall update the plan throughout the term of the contract to ensure currency of the plan and as necessary to continually meet Procuring Agency standards. The DR/BCP Plan will include detailed procedures for an orderly shutdown, as well as sudden loss of operations (i.e., "crash" shutdowns) and detailed procedures for resumption of operations including estimated time in the event of a disaster.</p> <p>The Disaster Recovery Plan/Business Continuity Plan will include, at a minimum:</p> <p>26.2.5.1 Assignment of responsibilities.</p> <p>26.2.5.2 Established order of restoration precedence.</p> <p>26.2.5.3 Identification of the operating system and its components (e.g., TSO, POWERBUILDER, CICS, etc.).</p> <p>26.2.5.4 Identification of operating system dependencies.</p> <p>26.2.5.5 Identification of all files, data stores, and utilities.</p> <p>26.2.5.6 Identification of all backup files and descriptions of the frequency and methods used to keep backup files updated. Backup files will be stored off-site and will include but not be limited to source programs, job control language (JCL), data files and databases, reference files, claims history files, eligibility master files, provider master files; application system, user, and operational documentation; system requirements, user documentation, ERM files, and files maintained on the Contractor's local area network.</p> <p>26.2.5.7 Logistics for creating the disaster copies.</p> <p>26.2.5.8 Logistics for transferring operations to the backup location.</p> <p>26.2.5.9 Frequency of operating system backup.</p> <p>26.2.5.10 Other preparatory measures for disaster recovery and for assuring business continuity:</p>
<p>26.2 Develop and Maintain</p>	<p>26.2.5 Meet Detailed</p>	<p>26.2.5.11 Procedures for regeneration of updates that may be lost due to operator errors, conversion errors, update errors, or</p>

Task Item	Subtasks	Description
Disaster Recovery//Business Continuity Plan (continued) 26.3 Test and Implement Disaster Recovery /Business Continuity Plan	Specifications in the DR/BCP Plan (continued)	<p>system malfunctions. The Contractor shall describe its procedures for storing and backing up update files and retaining source documents required to recreate such files or updates. The Contractor shall store backup copies of source documents using electronic technology and media approved by the Procuring Agency.</p>
	26.3.1 Conduct Annual Tests of the DR/BCP Plan	<p>The Contractor shall conduct an annual test run of the Disaster Recovery Plan/Business Continuity Plan involving all responsible parties, with expected results as the benchmark. Results of the test run will be provided to the Procuring Agency for its review.</p>
	26.3.2 Provide Sub-Contractors DR/BCP Plan	<p>The Contractor shall provide Disaster Recovery Plan/Business Continuity Plan for all sub-Contractor's systems annually.</p>
	26.3.3 Meet Agreed Service Levels and Recovery Times During Actual Disasters	<p>In the event a disaster causes the MMIS to become unavailable or causes an interruption in the delivery of administrative services, the Contractor shall immediately notify the Procuring Agency. The Contractor shall take steps to ensure timely resumption of administrative services and shall load System Data from backup media at the designated alternate site(s) to recover basic functionality of the System within 24 hours and restore complete functionality of the System within 48 hours from the occurrence of the disaster.</p>
26.4 Manage Agreed Payment Schedule	26.3.4 Recover or Regenerate any Lost Data Within Agreed Time Period	<p>In the event of a loss of any System Data, the Contractor shall use all necessary means to recover or regenerate the lost System Data, at the Contractor's expense, as soon as practicable within five (5) calendar days from the date the Contractor learns of the loss.</p>
	26.4.1 Invoice the Procuring Agency According to the Schedule for Disaster Avoidance and Recovery	<p>The Contractor will deliver invoices according to the following payment schedule for Disaster Avoidance and Recovery, including the applicable New Mexico Gross Receipts Tax (NM GRT), with no retainage:</p> <p>26.4.1.7 Jan 1, 2023 – Apr 30, 2024 \$7,261.76</p>

Deliverable 27: Ongoing Network Support [Monthly System Operations]

<u>Deliverable Twenty-Seven</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Network Support [Monthly System Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$3,269,810.58 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$204,363.16 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
27.1 Maintain Network Management Unit	27.1.1 Provide a Qualified Network Management Unit	The Contractor shall provide an operationally experienced Network Management Unit consisting at a minimum of a manager and sufficient network analysts or technicians to support the Contractor's network and provide connectivity to the Procuring Agency's network.
27.2 Perform Support	27.2.1 Support Internal and External Connectivity	The Contractor shall provide operational support for its own network, hardware and software and shall provide connectivity between its network and the Procuring Agency's network to ensure access by authorized users to the MMIS, and other Contractor-operated systems.
	27.2.2 Meet Detailed Specifications for-Support	<p>The Contractor shall perform, at a minimum, the following functions related to network support:</p> <p>27.2.2.1 Provide all hardware, software, and other resources necessary to maintain connectivity with the Procuring Agency network.</p> <p>27.2.2.2 Ensure appropriate licensure for all software provided by the Contractor as part of its overall MMIS solution.</p> <p>27.2.2.3 Provide access to the MMIS, and other Contractor-operated systems and sub-Contractors to authorized users on the Procuring Agency network.</p> <p>27.2.2.4 Provide overall administration of its own LAN functions, including providing for continual virus checking and protecting all data through nightly back up routines. Virus detection capability shall be updated at least weekly, with immediate updates distributed in response to specific threat warnings issued by software vendors.</p>

Task Item	Subtasks	Description
<p>27.2 Perform Network Support (continued)</p>	<p>27.2.2 Meet Detailed Specifications for Network Support (continued)</p>	<p>27.2.2.5 Provide troubleshooting for problems affecting user access to the MMIS and other systems.</p> <p>27.2.2.6 Work with the Procuring Agency’s Information Technology Division to resolve issues affecting connectivity with the Procuring Agency network.</p> <p>27.2.3 The Contractor shall provide secure and reliable access to OmniCaid and other applications to users authorized by the Procuring Agency who are not on the Procuring Agency network, via Citrix or a Procuring Agency-approved alternative.</p>
<p>27.3 Provide Secure File Transfer Capability</p>	<p>27.3.1 Enable Authorized Users to Exchange Data via Secure File Transfer</p>	<p>The Contractor shall provide a secure, web-based file transfer capability for use by the Procuring Agency, other Procuring Agency Contractors, and other Procuring Agency-authorized entities. The secure file transfer capability will support exchange of data with the Contractor as well as between the Procuring Agency and the Procuring Agency’s other trading partners.</p>
<p>27.4 Manage Agreed Payment Schedule</p>	<p>27.4.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>27.4.1.1 Jan 1, 2023 – Apr 30, 2024 \$204,363.16</p>

Deliverable 28: Ongoing Help Desk Services [Monthly Fiscal Operations]

<u>Deliverable Twenty-Eight</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Help Desk Services [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation Not to Exceed \$68,848.74 including NM GRT, to be paid monthly at an approximate rate of <ul style="list-style-type: none"> • \$4,303.05 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
28.1 Maintain Telephone System	<p>28.1.1 Provide Procuring Agency-of-the-Art Telephone System for PBM</p> <p>28.1.2 Support All Help Desks</p> <p>28.1.3 Support Computer-Telephony Integration</p> <p>28.1.4 Provide Sufficient Number of Toll-Free Lines</p> <p>28.1.5 Provide Weekly Help Desk Statistics</p>	<p>The Contractor shall operate and maintain a state-of-the-art telephone system for PBM, including Private Branch Exchange (PBX), interaction management software, call management system, and voicemail</p> <p>The telephone system shall support the following Help Desk:</p> <ul style="list-style-type: none"> • Pharmacy Support, <p>The system will support Computer-Telephony Integration and interface with the Contractor's automated Contact Tracking System (Subtask 28.2.1)</p> <p>The Contractor shall establish and maintain a sufficient number of toll-free telephone lines to provide a high level of service. The toll-free lines must be available to all of New Mexico and include a sufficient degree of toll-free access nationwide.</p> <p>The Contractor shall provide the Procuring Agency with weekly reports with Help Desk call statistics identifying total calls, completed calls, abandoned calls, abandonment rate, average talk time, average speed of answer, average wait on abandoned calls, calls routed to voice mail, and staffing levels for all Help Desks.</p>
28.2 Maintain Contact	28.2.1 Provide Contact Tracking System (CTS)	The Contractor shall operate an automated Contact Tracking System (CTS) for documenting inquiries and complaints received from pharmacies and providers. The system will be used for tracking each inquiry or complaint from creation to closure and will include, at a minimum, for each contact, a

<p>Tracking System</p> <p>28.2 Maintain Contact Tracking System (continued)</p> <p>28.3 Promote Help Desk Quality</p>	<p>28.2.2 Enable Flexible, Comprehensive CTS Reporting</p> <p>28.2.3 Enable CTS to Manage Help Desk Contacts</p> <p>28.2.4 Use CTS to Manage Contacts Received by Multiple Methods</p> <p>28.2.5 Provide Monthly Status Reports of Open Inquiries</p> <p>28.2.6 Capture All Unresolved Contacts in CTS</p> <p>28.3.1 Implement a Call Monitoring System</p> <p>28.3.2 Present a Satisfaction Survey Option to Callers</p>	<p>tracking number, pharmacy or provider identification, provider type, category or type of contact, date opened, description of problem, cause of contact, resolution, and date closed. The CTS will have the ability to generate summary reports for the parameters listed above (Subtask 28.2.1) and for a flexible range of time spans.</p> <p>The CTS will be capable of documenting contacts received by any of the Help Desks operated by the Contractor unless otherwise approved by the Procuring Agency for specific help desks.</p> <p>The CTS will be used to register, and document contacts received through written mail, e-mail, fax, telephone, or face-to-face meetings.</p> <p>The Contractor shall provide monthly reports to the Procuring Agency summarizing all contacts opened since the last such report, by type of contact, as well as all inquiries or complaints not yet closed. The Contractor must make detailed reports available upon request.</p> <p>If an answer to an inquiry or complaint cannot be resolved immediately, the Contractor shall leave that contact open in the CTS.</p> <p>The Contractor shall implement a call monitoring system to support quality assurance monitoring and training. The system shall support call recording, screen capture, entry of evaluation results, and auto-scheduling.</p> <p>The Contractor shall present a satisfaction survey option to callers as part of the quality assurance system, allowing callers to report their experience with the Help Desks' service. The content of the survey shall be approved by the Procuring Agency prior to implementing the survey option. The Contractor shall tabulate survey responses and the Procuring Agency with a monthly summary report.</p> <p>The Contractor may not limit the number of contacts by telephone, except as approved by the Procuring Agency to ensure efficient access to the Help Desks by other callers.</p>
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<p>28.4 Manage Agreed Payment Schedule</p>	<p>28.3.3 Ensure Procuring Agency Approval is Obtained Before Limiting Help Desk Capacity</p> <p>28.4.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>28.4.1.1 Jan 1, 2023 – Apr 30, 2024 \$4,303.05</p>
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Deliverable 29: Ongoing HIPAA Translation Services [Monthly Fiscal Operations]

<u>Deliverable Twenty-Nine</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing HIPAA Translation Services [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$3,112,267.22 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$194,516.70 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
29.1 Provide HIPAA Translation Services 29.1 Provide HIPAA Translation Services	29.1.1 Provide Some HIPAA Translation Alternative 29.1.2 Meet Detailed Specifications for HIPAA Translation Services	<p>The Contractor shall provide a HIPAA Translation solution, such as a clearinghouse option or its own HIPAA translator.</p> <p>The Contractor’s HIPAA Translation solution must have the ability to receive and process all X12 5010 transaction sets except the 278 and to store and utilize all data elements submitted on the HIPAA X12 transaction sets.</p> <p>29.1.2.1 Incoming batch files (for example, 837 transactions) must be processed by the translator and sent to OmniCaid within 24 hours of receipt.</p> <p>29.1.2.2 Outgoing transactions received from OmniCaid (for example, 835 transactions) must be processed by the translator and sent to the corresponding trading partner within 24 hours of receipt.</p> <p>29.1.2.3 The Contractor shall ensure the accuracy of information reported on HIPAA response transactions.</p>
29.2 Provide Trading Partner Management System 29.2 Provide Trading Partner	29.2.1 Provide a Trading Partner Management System (TPMS) that Supports Core Functions	<p>The Contractor shall provide a Trading Partner Management System (TPMS) that will be accessible by Contractor staff to enroll and disenroll submitters, identify what transactions submitters are allowed to submit, and their status (test or production).</p> <p>The Contractor shall coordinate provider enrollment and other trading partner enrollment activities using the TPMS.</p>

Task Item	Subtasks	Description
<p>29.5 Operate the System Enhanced with HIPAA 834 Transactions</p> <p>29.6 Maintain and Modify the 276/277 HIPAA Enhanced System</p>	<p>the HIPAA 820 Enhancement</p>	<p>The Contractor shall provide ongoing operational support for 834 transactions.</p>
	<p>29.5.1 Provide Ongoing Support for HIPAA 834</p>	<p>The Contractor shall develop, test, and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>29.5.2.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>29.5.2.2 Perform software support and error correction.</p>
	<p>29.5.2 Manage Revisions to the HIPAA 834 Enhancements</p>	<p>29.5.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
	<p>29.6.1 Provide Ongoing Support for HIPAA 276/277</p>	<p>The Contractor shall provide ongoing operational support for 276/277 transactions.</p> <p>The Contractor shall develop, test, and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>29.6.2.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>29.6.2.2 Perform software support and error correction.</p>
	<p>29.6.2 Manage Revisions to the HIPAA 276/277 Enhancements</p>	<p>29.6.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
		<p>The Contractor shall provide ongoing operational support for 277CA transactions.</p>

Task Item	Subtasks	Description
<p>29.7 Maintain and Modify the HIPAA 277CA Enhanced System</p>	<p>29.7.1 Provide Ongoing Support for HIPAA 277CA</p>	<p>The Contractor shall develop, test, and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>29.7.2.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>29.7.2.2 Perform software support and error correction.</p> <p>29.7.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
<p>29.8 Operate and Maintain the System HIPAA Operating Rules</p>	<p>29.7.2 Manage Revisions to the HIPAA 277CA Enhancements</p> <p>29.8.1 Provide Ongoing Support</p> <p>29.8.2 Manage Revisions to Enhanced Systems</p>	<p>The Contractor shall provide ongoing operational support for EFT/ERA transactions and comply with the Operating Rules for those transactions.</p> <p>The Contractor shall develop, test, and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>29.8.2.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>29.8.2.2 Perform software support and error correction.</p> <p>29.8.2.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
<p>29.9 Manage Agreed Payment Schedule</p>	<p>29.9.1 Invoice the Procuring Agency According to the Operations</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>29.3.1.1 Jan 1, 2023 – Apr 30, 2024 \$194,516.70</p>

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Task Item	Subtasks	Description
	Payment Schedule	

Deliverable 30: Ongoing HIPAA Compliance [Monthly Fiscal Operations]

<u>Deliverable Thirty</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing HIPAA Compliance [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$572,333.27 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> not to exceed \$35,770.83 month including NMGRT for 16 months.

Task Item	Subtasks	Description
30.1 Comply with HIPAA Requirements	30.1.1 Maintain HIPAA Knowledge and Meet All Requirements	The Contractor shall be knowledgeable about federal HIPAA requirements and meet HIPAA transaction, privacy, and security standards, both in their own functions and operations and in maintaining and operating the MMIS.
	30.1.2 Ensure Timely HIPAA Transactions	The Contractor shall ensure a timely response from the MMIS when responding to a HIPAA transaction.
	30.1.3 Provide Coordination Between HIPAA Translation and MMIS Functions	The Contractor shall provide for coordination of activities and processes between the Contractor’s HIPAA Translation solution and MMIS functions, including supporting interfaces, supplying data files for downloading, researching potential interface issues, resolving interface issues, and enforcement of trading partner agreements.
	30.1.4 Provide Free Electronic Claim Submissions During Transition to New Web Portal	The Contractor shall provide free electronic claim submission capability to New Mexico providers by providing a direct data entry (DDE) component as part of the new Web portal enhancement.
	30.1.5 Provide Training on HIPAA Standards and Contractor’s Solutions	The Contractor shall provide training and information on use of the HIPAA Translation solution, the Contractor’s electronic claim submission solution, and HIPAA standards and requirements.

Task Item	Subtasks	Description
30.1 Comply with HIPAA Requirements (continued)	30.1.6 Remain Informed of HIPAA Changes and Initiate Approved Solutions 30.1.7 Meet All HIPAA Privacy Requirements 30.1.8 Meet all HIPAA Security Requirements 30.1.9 Enforce Physical Security Standards at All MMIS Sites	<p>The Contractor shall remain informed on national code and value changes and initiate necessary changes in the MMIS with Procuring Agency approval.</p> <p>The Contractor shall meet and enforce HIPAA privacy standards within their organization and in the operations of the MMIS.</p> <p>The Contractor shall meet and enforce HIPAA system security standards within their own organization, the sites at which they operate the MMIS, and within the MMIS itself, according to a Security Plan which must be developed by the Contractor and approved by the Procuring Agency.</p> <p>The Contractor shall meet and enforce physical security standards at each of their sites involved in operating the MMIS.</p>
30.2 Manage Agreed Payment Schedule	30.2.1 Invoice the Procuring Agency According to the Operations Payment Schedule	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>30.2.1.1 Jan 1, 2023 – Apr 30, 2024 \$35,770.83</p>

Deliverable 31: Ongoing Member Management Services [Monthly Fiscal Operations]

<u>Deliverable Thirty-One</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Member Management Services [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$238,877.75 including NM GRT, to be paid monthly at a rate of approximately: <ul style="list-style-type: none"> • not to exceed \$14,929.86 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
31.1 Manage Member Information	31.1.1 Perform Specified File Maintenance	<p>The Contractor shall perform the following files maintenance tasks to support the Member Management business process:</p> <p>31.1.1.1 Update and reconcile client eligibility received from ASPEN interfaces</p> <p>31.1.1.2 Merge records of duplicate clients.</p> <p>31.1.1.3 Unmerge records of clients inappropriately combined.</p> <p>31.1.1.4 Verify and add TPL coverage to Omnicaid when indicated on a claim, Explanation of Benefits or Managed Care file to ensure cost avoidance.</p> <p style="padding-left: 40px;">31.1.1.4.1 Maintain current “other Insurance” indicators and information on the eligibility file for all individuals.</p> <p style="padding-left: 40px;">31.1.1.4.2 Maintain the Recipient Resource File, incorporating the related requirements including client identifying information, the insurance carrier(s), the name and address of the carrier(s), the type of coverage, coverage dates, the source of the insurance information, policy holder name and social security number, and policy number.</p> <p style="padding-left: 40px;">31.1.1.4.3 Maintain the indicators to show the dates that coverage was in effect. The Contractor shall enter the insurance end date when it is determined that the individual no longer has insurance.</p> <p style="padding-left: 40px;">31.1.1.4.4 Work out, with Procuring Agency approval, data exchanges with insurance carriers and</p>

Task Item	Subtasks	Description
31.1 Manage Member Information (continued)	31.1.1 Perform Specified File Maintenance (continued)	governmental agencies; and perform those data exchanges on a schedule approved by the Procuring Agency.
31.2 Support Inquiries on Member Eligibility	31.2.1 Give Providers Multiple Ways to Check Eligibility	<p>The Contractor shall allow providers to inquire on member eligibility via a secure Web portal, by calling an Automated Voice Response System.</p> <p>The Contractor shall perform the following enrollment tasks to support the Member Management business process:</p> <p>31.2.1.1 The Contractor shall make changes to Managed Care and make other changes required to maintain accurate client managed care lock-in information (e.g., new enrollment, switches during open enrollment, and Native American opt in). Clients may select a managed care organization (MCO) by returning a hard copy enrollment form for entry by Contractor staff.</p>
31.3 Support HIPAA on Member Eligibility	31.3.1 Comply with HIPAA on Member Eligibility	The Contractor and any Sub-Contractors shall comply with all HIPAA provisions for privacy, security, and transmission of data with regards to client information.
31.4 Support Modifications to Member Data	31.4.1 Modifications to Member Eligibility Data	<p>The Contractor shall develop, test, and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>31.4.1.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>31.4.1.2 Perform software support and error correction.</p> <p>31.4.1.3 Comply with the software development, change management and system test requirements contained in Tasks 20.3 and 20.4 of Deliverable 20.</p>
31.5 Manage Agreed	31.5.1 Invoice the Procuring Agency	Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross

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Task Item	Subtasks	Description
Payment Schedule	According to the Operations Payment Schedule	Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule: 31.5.1.1 Jan 1, 2023 – Apr 30, 2024 \$14,929.86

Deliverable 32: Ongoing Provider Management Services [Monthly Fiscal Operations]

<u>Deliverable Thirty-Two</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Provider Management Services [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$3,601,177.57 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • not to exceed \$225,073.60 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
32.1 Enroll Providers	32.1.1 Meet Detailed Specifications for Provider Enrollment	<p>The Contractor shall perform, at a minimum, the following Provider Enrollment functions according to the standards and specifications determined by the Procuring Agency:</p> <p>32.1.1.1 The Contractor shall make Provider Participation Agreement forms and instructions available to providers via download from the Web portal and on paper. Potential providers requesting Provider Participation Agreement forms will be directed to the Web portal if the provider appears to be eligible for enrollment. In addition, the Contractor shall contact potential providers regarding the enrollment process when the Contractor’s Provider Relations staff receives claims identified as coming from an unenrolled provider or upon Procuring Agency request.</p> <p>32.1.1.2 Screen applications received for completeness and verify the information on the application as necessary. The CONTRACTOR shall verify the licensure, certification, accreditation, or other requirements for participation submitted by the provider. This may require contacting the prospective provider, a licensing board, another state's Medicaid agency, or another state's contractor. Applications will be process within 12 business days from date of receipt to Procuring Agency for review. The review timeline is as follows:</p> <ul style="list-style-type: none"> • 3 business days to review application • 5 business days for Lexus Nexus screening, and • 4 business days to review screening results <p>32.1.1.3 Maintain an electronic log of all Provider Participation Agreement forms received from applicants. This log shall identify the applicant, the date the application was</p>

Task Item	Subtasks	Description
32.1 Enroll Providers (continued)	32.1.1 Meet Detailed Specifications for Provider Enrollment	<p>received, and the current status and location of each agreement through the final step of notifying a provider of the issued number.</p> <p>32.1.1.4 Retain the data in such a manner that all actions relevant to a particular applicant can be identified at any point in the process. Produce a weekly report that will identify all open agreements sorted and tallied by status or stage in the process. Contractor must be proactive and transparent in reporting PE issues to MAD and provide weekly reporting outlying the following: application aging for both Contractor and Procuring Agency, updates, provider type changes, turnaround, MCORS, approvals, RTP and top 3 RTP reasons, RTP aging, personnel count, and a list (highlighted) of out of compliance applications to include root cause and solution.</p> <p>32.1.1.5 Verify that the applicant is in good standing with the Medicaid program and is not a Department of Health and Human Services Office of Inspector General (HHS-OIG) excluded entity through HHS-OIG's List of Excluded Individuals/Entities (LEIE) and other appropriate databases.</p> <p>32.1.1.6 The Contractor shall access the provider risk evaluation subcontractor's database real-time when screening the provider's application to perform provider credentialing. When replacing a sub-contractor, the Contractor shall provide the Procuring Agency with a transition and communication plan for approval. The transition plan should include an updated responsibility assignment matrix (RAM) outlying Roles and responsibilities, Risks and mitigation strategies and Performance measurement, including goals and metrics. The contractor shall provide to the Procuring Agency the sub-contractor draft contract for review.</p>
32.1 Enroll Providers (continued)	32.1.1 Meet Detailed Specifications for Provider Enrollment	<p>32.1.1.7 Verify prospective providers' eligibility through contact with the appropriate certification, licensing, or accreditation agencies as identified by the Procuring Agency. Verification of providers will be documented on a form approved by the Procuring Agency. The Contractor shall process MCORs within 5 business days. The CONTRACTOR shall forward verified Provider Participation Agreements and appropriately screened documentation to the Procuring Agency for final approval. Contractor reviews and</p>

Task Item	Subtasks	Description
<p>32.1 Enroll Providers (continued)</p>	<p>32.1.1 Meet Detailed Specifications for Provider Enrollment</p>	<p>approves Provider type 301/Application type 312 (Rendering physicians) within 8 business days. These types of applications are not sent to the Procuring Agency.</p> <p>32.1.1.8 Return any incorrect or incomplete Provider Participation Agreement forms within 12 business days of receipt with instructions to the prospective provider for proper completion of the form. Communicate to the applicant the need for any documentation of licensure, certification, or accreditation for provider Enrollment purposes. Notify providers through system-generated notices or in writing of cancellation of their provider numbers, and of the reasons for the cancellations.</p> <p>32.1.1.9 Forward all completed and verified applications to the Procuring Agency for final approval and signatures within five (5) business days of receipt after the verification of accuracy and completeness of the application and screening.</p> <p>32.1.1.10 Apply provider updates to the Provider File within five (5) business days of receipt of the information from the Procuring Agency or the provider.</p> <p>32.1.1.11 Add new providers within five (5) business days of approval of the applications by the Procuring Agency.</p> <p>32.1.1.12 Re-verify provider participation information every three years, as tracked by the MMIS on an individual provider basis, by obtaining a properly completed Procuring Agency Provider Agreement Re-verification form and verifying licensure and/or certification. The Contractor shall forward high and moderate providers to the Procuring Agency for review and approval.</p> <p>32.1.1.13 Obtain current licensure documentation from providers in writing at least 30 days in advance when licensure is due to expire as tracked by the MMIS. The Contractor shall update the Provider File upon receipt of current licensure documentation, shall scan and index the documentation so it becomes part of the provider's file available via the EDMS, and shall file the documentation in providers' hard copy files.</p>

Task Item	Subtasks	Description
<p>32.1 Enroll Providers (continued)</p>	<p>32.1.1 Meet Detailed Specifications for Provider Enrollment</p>	<p>32.1.1.14 Maintain a file of all Provider Agreement forms with original provider signatures or electronic signatures via the Web portal and a list of individuals with ownership interests, if applicable. Hard copy files will be accessible by provider number.</p> <p>32.1.1.15 Scan incoming provider applications and related documentation; these files will be accessible online by provider number via image retrieval via the Contractor's Electronic Document Management System (EDMS).</p> <p>32.1.1.16 The Contractor shall comply with all federal requirements related to provider screening and database checks, except that Procuring Agency will be responsible for the facilitation of Fingerprint Based Criminal Background Checks (FCBC).</p> <p>32.1.1.17 The Contractor must be able to produce on request appropriate documentation to support having met each screening and enrollment requirement.</p> <p>32.1.1.18 In general, a copy of the screening results will be retained as part of the provider file and will be accessible via Contractor's EDMS.</p> <p>32.1.1.19 When relying on the Medicare screening, the Contractor shall document that for example, PECOS was checked and that the date is correct.</p> <p>32.1.1.20 Screening results for moderate – high-risk providers will be forwarded to the Procuring Agency for review and approval prior to implementing system updates.</p> <p>32.1.1.21 Each month the Contractor will submit to the Procuring Agency a list of all providers screened during the previous month along with an attestation that the screening results were successfully captured in IntraViewer. The IntraViewer image of the screening results will be included on the monthly list.</p> <p>32.1.1.21 The report will be due by the 10th of each month for the previous month's screenings.</p>

Task Item	Subtasks	Description
32.2 Disenroll Providers	32.2.1 Disenroll Specified Providers	<p>32.1.1.22 Maintain all hard copy provider application material and related documentation, and the electronic images of any such material and documentation included in the Contractor's EDMS, as long as the provider is Medicaid enrolled and for seven (7) years following the end of the federal fiscal year in which the provider was terminated or disenrolled. Notes regarding the application made by the Contractor or the Procuring Agency will be documented in a clear written formal manner with signature and dates. Notes on scrap paper or post-it notepads are not acceptable.</p> <p>32.1.1.23 Provide a corrective action plan to the Procuring Agency within 10 business days if any SLAs outlined in this deliverable are out of compliance.</p> <p>32.2.1 The MMIS system shall automatically track and disenroll a provider who fails to return a reverification Turnaround Document (TAD) or who does not submit updated licensure information in accordance with Procuring Agency requirements.</p> <p>32.2.2 The Contractor shall disenroll disqualified providers when they are identified in a recognized exclusion database such as the HHS OIG List of Excluded Individuals/Entities (LEIE) or the GSA Excluded Parties List System (EPLS) at the direction of the Procuring Agency</p>
32.3 Manage Provider Information	32.3.1 Maintain the Provider Subsystem	<p>32.2.3 The Contractor shall disenroll providers in response to provider request or at the direction of the Procuring Agency, the Department of Health or the Aging and Long-Term Services Department.</p>
32.3 Manage Provider Information	32.3.2 Meet Detailed Specifications for Provider Subsystem	<p>The Contractor shall maintain the Provider Subsystem within the MMIS which is used, at a minimum, for correct claims payment, claims editing, accurate mailing addresses, medical necessity reviews, and reporting. The Contractor must provide all functionality present in the current system and processes.</p> <p>The Contractor shall enter and maintain, at a minimum, the following information:</p>

Task Item	Subtasks	Description
	<p data-bbox="451 909 630 1052">32.3.3 Cross-Reference Providers as Appropriate</p> <p data-bbox="451 1167 634 1415">32.3.4 Maintain MMIS Provider File & Make Timely Updates</p> <p data-bbox="451 1535 656 1709">32.3.5 Provide Same-Day Provider File Updates When Necessary</p> <p data-bbox="451 1755 594 1890">32.3.6 Maintain Electronic History of</p>	<p data-bbox="690 289 1463 432">32.3.2.1 Demographic information as provided on the provider application form and supplemental information forms, re-verification forms, verification of licensure forms, and provider change requests.</p> <p data-bbox="690 474 1468 684">32.3.2.2 Information as provided on licenses, certifications, and accreditations, all with effective dates, and other information from various accrediting and licensing agencies. Provider information is generally maintained online with the exception of Centennial Care Managed Care provider information that is supplied by batch interface.</p> <p data-bbox="690 726 1446 793">32.3.2.3 Cross references to Medicare provider numbers to accommodate accurate payment of crossover claims.</p> <p data-bbox="690 835 1487 869">32.3.2.4 Provider enrollment data from the Procuring Agency.</p> <p data-bbox="690 911 1458 978">32.3.2.5 Current tax rates and taxable status associated with the provider.</p> <p data-bbox="690 1020 1487 1230">32.3.3 The Contractor shall cross-reference individual providers to a group practice or other medical corporation, facility, or entity, as appropriate. Provider type changes shall be processed withing 5 business dates of receipt to Procuring Agency and 5 business days to update once guidance received from MAD.</p> <p data-bbox="690 1314 1487 1491">32.3.4 The Contractor shall maintain an accurate MMIS Provider File and make all routine updates and changes to the Provider File within five (5) business days of the request from the Procuring Agency or other authorized source, such as a provider submitting a written address change.</p> <p data-bbox="690 1575 1468 1709">32.3.5The Contractor shall make every reasonable effort to make changes on the day that said changes or updates are requested when such updates or changes are necessary on an emergency basis</p> <p data-bbox="690 1793 1463 1890">32.3.6 The Contractor shall maintain a history of terminated providers and providers with payments suspended. This history will include the action taken and the reason for and</p>

Task Item	Subtasks	Description
	<p>Terminated or Suspended Providers Indefinitely</p> <p>32.3.7 Maintain Paper Documentation for Seven Years</p> <p>32.3.8 Scan All Paper Documentation Regarding Provider Enrollment to the EDMS</p> <p>32.3.9 Provide Quality Control to Verify File Changes</p> <p>32.3.10 Notify the Procuring Agency When Changes are Complete</p> <p>32.3.11 Maintain a Complete Audit Trail</p>	<p>date of the action. MMIS provider data is retained on file indefinitely.</p> <p>32.3.7 The Contractor shall maintain all paper documentation related to provider enrollment, status, or changes for a minimum of seven years after provider termination.</p> <p>The Contractor shall scan all paper documentation related to provider enrollment, status, or changes; these files will be accessible online by provider number via image retrieval via the CONTRACTOR's Electronic Document Management System (EDMS).</p> <p>32.3.9.1. The Contractor shall make all routine updates and changes to the Provider File within fifteen (15) business days of the request.</p> <p>32.3.9.2. The Contractor shall subject the file changes to verification with the Contractor's internal quality control process.</p> <p>32.3.10. The Contractor shall notify the Procuring Agency in writing when changes have been made if the change was at the request of the Procuring Agency.</p> <p>32.3.11. The Contractor shall maintain an audit trail that identifies the date and time of the change, the person who made the change, who requested or authorized the change, and change details including before and after images of all modified data.</p> <p>32.3.12.1 The Contractor shall review internal system audit trails to ensure that no unauthorized changes are made to the files.</p>

Task Item	Subtasks	Description
	<p>32.3.12 Review Audit Trails for Accuracy</p> <p>32.3.13 Process Clinical Laboratory Improvement Amendment (CLIA) Data</p> <p>32.3.14 Maintain and Cross-Reference MCO Information</p> <p>32.3.15 Exclude Unauthorized Providers</p> <p>32.3.16 Control Access to the Provider File</p> <p>32.3.17 Distribute List of Staff Authorized to Update the Provider File</p>	<p>32.3.13.1 The Contractor shall process Clinical Laboratory Improvement Amendment (CLIA) data, certification, and effective dates, including laboratory certification CLIA numbers, and produce the CLIA Certification Update Report.</p> <p>32.3.13.2 The Contractor shall track records for expiration and obtain updated documentation, including using CLIA data available through an interface with the Centers for Medicare and Medicaid Services.</p> <p>32.3.14.1 The Contractor shall maintain information about Managed Care and Coordinated Service Program (MCO) providers received from MCOs via an electronic interface, with cross-references that enable linking of the provider to the MCO contractors.</p> <p>32.3.15.1 The Contractor shall incorporate necessary security measures to ensure unauthorized providers are not included in the Provider File.</p> <p>32.3.16.1 The Contractor shall prohibit Contractor and Procuring Agency staff that has claims resolution privileges from updating the Provider File.</p> <p>32.3.17.1 The Contractor shall maintain a current list of all Contractor and Procuring Agency personnel authorized to make Provider File updates and distribute the updated list periodically to the Procuring Agency.</p> <p>32.3.18.1 The Contractor shall develop and maintain an updated Provider File maintenance manual that documents the instructions and procedures used by CONTRACTOR staff for updating the Provider File and supply the current version to the Procuring Agency. Files maintenance instructions are subject to approval by the Procuring Agency.</p>

Task Item	Subtasks	Description
32.4 Manage Provider Tier III Escalations	32.3.18 Develop and Maintain a Provider File Maintenance Manual	<p>32.3.19 The Contractor shall send an interface file that includes active fee-for-service data to the provider risk evaluation subcontractor on a monthly basis. Provider risk evaluation subcontractor will assign a dynamic risk profile score to each active provider that evaluates the providers' backgrounds and alerts staff to critical changes. The risk profile score will be based on quantifiable attributes such as death indicators, licensure, and criminal record, as well as factors such as associations with excluded providers, multiple address changes, etc.</p>
	32.3.19 Send Active Provider Data to for screening Monthly for Monthly Monitoring	<p>The Contractor shall make screening reports generated by the provider screening subcontractor available via the Electronic Document Management System for Procuring Agency staff to retrieve and review.</p>
	32.3.20 Make Screening Reports Available Electronically	<p>The Contractor shall make screening files generated by the provider screening subcontractor available via the EDMS for Procuring Agency staff to retrieve and review.</p>
	32.3.21 Make Screening Reports Available Electronically	<p>The Contractor shall make recommendations to the Procuring Agency on methods for improving the forms, materials, and procedures involved with maintaining the Provider File and Subsystem.</p>
	32.3.22 Recommend Methods to Improve the Provider File and Subsystem	<p>The Contractor shall print and mail system-generated notices pertaining to the provider enrollment process, including approval letters, disapproval letters, termination notices, license expiration reminders, and reverification Turnaround Documents (TADs).</p>
	32.4.1 Print & Mail System-	<p>The Contractor shall provide Provider Tier III escalation support to assist participants and employees with Tier III issues pertaining to the CONTRACTOR's Provider Enrollment/Relations responsibilities. Tier III escalations are</p>

Task Item	Subtasks	Description
<p data-bbox="207 835 415 978">32.4 Manage Provider Tier III Escalations (continued)</p> <p data-bbox="207 1713 391 1818">32.5 Perform Provider Outreach</p>	<p data-bbox="451 289 597 352">Generated Notices</p> <p data-bbox="451 470 643 684">32.4.2 Meet Detailed Specifications for Provider Tier III escalations</p>	<p data-bbox="690 289 1451 390">sent to Contractor from the Consolidated Customer Service Center. Tier III escalations are sent from Accenture via Salesforce to the CONTRACTOR.</p> <p data-bbox="690 432 963 464">The Contractor shall:</p> <p data-bbox="690 506 1487 611">32.4.2.1 Provide The necessary resources to research and respond to all Tier III escalations sent to Conduent from the CCSC via Salesforce.</p> <p data-bbox="690 653 1487 831">32.4.2.2 Open and research Tier III escalations and within 24 hours of receipt from the CCSC. Contractor will research and resolve Tier III escalations within 24 hours unless the escalation is complex or Contractor was unable to contact the individual within 24 hours.</p> <p data-bbox="690 873 1487 936">32.4.2.3 Contractor will resolve all complex Tier III escalations within 3-5 business days.</p> <p data-bbox="690 978 1487 1083">32.4.2.4 Contractor will update the CRN in Salesforce with research notes and issue resolution within 3-5 business days of email receipt.</p> <p data-bbox="690 1125 1487 1188">32.4.2.5 Contractor will monitor and begin researching Tier III escalations Monday–Friday from 8:00am-5:00pm.</p> <p data-bbox="690 1230 1468 1566">32.4.2.6 Monitor the performance of Tier III escalations. Reports shall be sent weekly to the Procuring Agency, or more frequently as requested by the Procuring Agency when there is a performance issue. The Contractor shall provide backup personnel and support necessary to ensure that inquiries beyond the capability of the initially responding staff member are answered and/or properly referred to CONTRACTOR management or, when appropriate, to the Procuring Agency.</p> <p data-bbox="690 1608 1487 1713">32.4.2.7 Ensure the staff has access to all data necessary to provide complete, accurate, and timely service to the provider making inquiry.</p> <p data-bbox="690 1787 1474 1892">32.5.1The Contractor shall operate a Field Representative team that will conduct initial and ongoing training to all New Mexico Medicaid providers.</p>

Task Item	Subtasks	Description
	<p>32.5.1 Operate a Provider Training Unit</p> <p>32.5.2 Conduct General Billing Training Seminars for IHS Providers</p> <p>32.5.3 Offer Live Training Webcasts Monthly</p> <p>32.5.4 Report Provider Training Summaries to the Procuring Agency Quarterly</p> <p>32.5.5 Designate Staff Who Will Make On-Site Visits to Providers</p>	<p>32.5.2 The CONTRACTOR shall conduct general billing training seminars for IHS/Tribal/638 providers twice per year, unless otherwise agreed on between the Procuring Agency and CONTRACTOR. The training seminars shall be conducted in Albuquerque and Northern Navajo virtually or onsite per Procuring Agency request.</p> <p>32.5.3 On a monthly basis, the Contractor must offer live training webcasts on a variety of topics, including sessions targeted at new providers and billers as well as more specialized topics.</p> <p>32.5.4 The Contractor shall submit to the Procuring Agency a quarterly summary of training workshop activity, including the course name, medium (live workshop or webcast), number of participants, results of evaluation forms, provider comments, and recommendations for future workshops. After each webinar, the attendance and chat issues are downloaded and saved to excel. The spreadsheets are uploaded to intraviewer where they can be retrieved by the Procuring Agency. CONTRACTOR will notify the Procuring Agency when spreadsheets have been uploaded to intraviewer.</p> <p>32.5.5 The Contractor shall designate a staff provider representative to be available for on-site visits with non- IHS providers throughout the Procuring Agency to help in resolution of claims submission and related problems. The staff member may also be designated to conduct provider training workshops and webcasts, and to meet with providers at the office of the Contractor, as appropriate.</p> <p>32.5.6 The Contractor shall designate a Provider representative who shall serve as the primary contact for IHS providers. This staff member will receive guidance from the Procuring Agency's Native American Liaison and other Procuring Agency staff in addressing billing and claim payment issues experienced by these providers.</p> <p>32.5.7 The Contractor shall use the electronic Contract Tracking System to document every provider meeting,</p>

Task Item	Subtasks	Description
32.6 Provided Enrollment Staff Inspector	32.5.6 Designate Primary Contact for IHS Providers	<p>including documenting any actions to be taken by any party and any claims received for processing. Conduent documents and stores documents using intraviewer where they can be retrieved by the Procuring Agency.</p> <p>The Contractor shall employ an additional Provider Enrollment Inspector.</p>
32.6 Provided Enrollment Staff Inspector (continue)	32.5.7 Document Provider Meetings in CTS 32.6.1 Conduct Provider Enrollment Site Visits 32.6.2 Federally required pre- and post-enrollment provider site visits.	<p>32.6.2.1 A provider that is classified as “moderate risk level” or “high risk level” cannot be enrolled or revalidated until a successful site visit conducted by the CONTRACTOR has been completed. This includes facilities within New Mexico and Border Providers as indicated and defined in OmniCaid. Reason for visit are as follows:</p> <ul style="list-style-type: none"> • Initial/Change • Revalidation (re-verification) Turn -around Document (TAD) • Appeal • Ad Hoc/Unannounced Visit <p>32.6.2.2 Provider types that are subject to the site visit requirement are as follows:</p> <ul style="list-style-type: none"> • 361 Home Health Agency • 414 Medical Supply Company • 336 Orthotist • 337 Prosthetist • 338 Prosthetist & Orthotist • 351 Lab, Clinical Freestanding • 353 Laboratory, Clinical with Radiology • 354 Laboratory, Physiological • 362 Hospice • 402 Ambulance, Ground • 433 Clinic, Mental Health Center - DOH Certified (CMHC) • 446 Core Service Agency • 455 Rehabilitation Facility, Comprehensive Outpatient (CORF)

Task Item	Subtasks	Description
	<p data-bbox="451 1493 651 1709">32.6.3 Medical Assistance Division Program Policy Bureau Responsibility</p>	<ul style="list-style-type: none"> <li data-bbox="740 291 1081 323">• 352 Radiology Facility <li data-bbox="740 327 1365 359">• 453 Physical Therapist, Licensed & Certified <li data-bbox="740 363 1398 394">• 454 Physical Therapist, Licensed, Not Certified <p data-bbox="691 443 1479 579">32.6.2.3 The Contractor shall pay all expenses for travel to site visits, which will not exceed 50% of the working days of the year. In certain instances, as identified by Program Policy Bureau, the site visit may be conducted over the phone.</p> <p data-bbox="691 768 1479 1020">32.6.3.1 The Program Policy Bureau will determine when a provider site visit must be conducted. Program Policy Bureau will communicate with the Contractor to perform the site visit. Contractor will use the designated MAD form when conducting an onsite visit. Visit types will include: Initial or Change, Revalidation (every 3 years), Appeal, and Ad Hoc or Unannounced Visit.</p> <p data-bbox="691 1062 1479 1167">32.6.3.2 The Contractor must conduct visit within 10 business days from date when the Program Policy Bureau notifies Procuring Agency that a visit is required.</p> <p data-bbox="691 1209 1479 1377">32.6.3.3 The Contractor cannot be required to complete the site visit within 10 business days when the provider is unwilling or unable to accommodate requested schedule. The Contractor will notify the Procuring Agency of any issues encountered in this regard when scheduling onsite visit.</p> <p data-bbox="691 1461 1479 1650">32.6.4.1 When a site visit is required for a provider that has submitted a Revalidation, also known as Turn-around Document (TAD), the time it takes the Contractor to complete the site visit shall not be included in the 5-day period required by the Contractor to complete the TAD process.</p> <p data-bbox="691 1692 1479 1818">32.6.4.2 The Contractor is not required to complete an onsite visit when new staff joins the provider practice if a passing pre-enrollment onsite visit was previously conducted or as directed by Program Policy Bureau.</p>

Task Item	Subtasks	Description
<p>32.7 Manage Agreed Payment Schedule</p>	<p>32.6.4 Onsite Visits when new staff joins provider practice</p> <p>32.7.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>32.7.1.1 Jan 1, 2023 – Apr 30, 2024 \$225,073.60</p>

Deliverable 33: Ongoing Operations Management Services [Monthly Fiscal Operations]

<u>Deliverable Thirty-Three</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Operations Management Services [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$1,287,376.62 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$80,461.04 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
33.1 Provide Service Authorizations	33.1.1 Maintain Existing Prior Authorization (PA) Subsystems	The Contractor shall meet or exceed the current MMIS Prior Authorization (PA) Subsystem functionality. The various interfaces and functioning of this subsystem are described in the system documentation. There is also documentation in the Claims Processing Subsystem regarding the interaction of claims processing with the PA Subsystem.
	33.1.2 Meet Detailed Specifications for Service Authorization	In support of the Service Authorization business process, the Contractor shall: 33.1.2.1 Receive files from the Third-Party Assessor (TPA) and Children’s Medical Services, edit the incoming transactions, and load validated PA transactions to the MMIS. 33.1.2.2 Maintain an interface with the Contractor’s Pharmacy Benefits Management System (PBMS) for receipt of approved drug PA records. 33.1.2.3 Meet regularly with the Third-Party Assessor to discuss and resolve interface issues.
33.2 Provide Claims / Encounter Adjudication	33.2.1 Maintain Existing Claims Processing Subsystem	The Contractor shall operate the existing OmniCaid Claims Processing Subsystem that, together with other OmniCaid subsystems and clerical activities, correctly adjudicates claims. The Contractor shall meet or exceed all existing claims processing functionality in OmniCaid and related peripheral systems, such as the document imaging and optical character recognition systems. Unless the context indicates otherwise, references to "claims" in this section will be all inclusive (for example, new claims, adjustments to claims, recycling claims, suspended claims, voided claims, corrections to previously suspended or processed claims, and encounters submitted by Managed Care Organizations).

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations</p>	<p>The Contractor shall operate OmniCaid and carry out the following functions and tasks:</p> <p>33.2.2.1 Adjudicate Medicaid and other Procuring Agency program claims according to program-specific payment rules.</p> <p>33.2.2.2 Maintain communications with the Procuring Agency regarding all claim processing functions including claims processing statistics, problems, delays, system errors, and deficiencies.</p> <p>33.2.2.3 Accept and process claims using the coding systems and values approved by the Procuring Agency.</p> <p>33.2.2.4 Receive, document receipt, control, and process all paper claims and attachments in the manner approved by the Procuring Agency. The Contractor shall perform claims processing functions related to handling of paper claims and attached documentation as follows:</p> <p style="padding-left: 40px;">33.2.2.4.1 Operate mailroom facilities with the capacity to expediently handle large volumes of hard copy claims, inquiries, and other correspondence.</p> <p style="padding-left: 40px;">33.2.2.4.2 Accept hard copy claims from providers and scan claims and attachments to support image storage and retrieval via an Electronic Document Management System (EDMS).</p> <p style="padding-left: 40px;">33.2.2.4.3 Date stamp or otherwise accurately date control all paper claims received.</p> <p style="padding-left: 40px;">33.2.2.4.4. Assign a unique Transaction Control Number (TCN) to each paper claim within one business day of receipt.</p> <p style="padding-left: 40px;">33.2.2.4.5 Review all hard copy attachments to determine their relevance to the submitted claims. These determinations will include prior approvals and invoices, insurance explanations of benefits, Children's Medical Services authorizations, CYFD authorizations, and other attachments to claims.</p>

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations (continued)</p>	<p>33.2.2.4.6 Implement and document batch control procedures to ensure that claims are not lost or misrouted prior to data entry and that security measures are in place to prevent unauthorized action or access to information.</p> <p>33.2.2.4.7 During claims screening and input, the Contractor shall rigorously inspect every claim for completeness and correctness. If the Contractor returns a claim to a provider for completion or correction, the Contractor shall notify the provider of all necessary changes at one time.</p> <p>33.2.2.4.8 Return claims to providers for correction and resubmission only if appropriate based on Procuring Agency-approved criteria.</p> <p>33.2.2.4.9 Make use of any postal rate reductions that may be available. The Contractor shall avoid sending separate mailings to a single provider.</p> <p>33.2.2.4.10 Maintain an electronic log showing the provider number and name, dates, reason, that are physically returned to providers.</p> <p>33.2.2.4.11 All paper claims will be retained for at least six (6) months from the date of receipt, after which they may be destroyed when authorized by the Procuring Agency.</p> <p>33.2.2.5 Accept electronic media claim submissions in HIPAA standard formats. The Contractor shall support the use of electronic claims submission with provider training and Help Desk resources.</p> <p>33.2.2.5.1 Assign a unique Transaction Control Number (TCN) to each electronic claim within 24 hours of receipt from the translator.</p> <p>33.2.2.6 Process Medicare crossover claims for coinsurance, deductible, and other patient responsibility amounts. The</p>

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations (continued)</p>	<p>Contractor shall maintain an accurate cross-reference between Medicare and Medicaid Provider Numbers to ensure accurate payment.</p> <p>33.2.2.7 Convert Medicare data received to Medicaid data by using cross-references of Medicare provider numbers to Medicaid provider numbers, and client Medicare numbers to client Medicaid numbers.</p> <p>33.2.2.8 Process managed care encounter data through the claims systems.</p> <p>33.2.2.9 Process claims and encounters efficiently and accurately in accordance with Procuring Agency policy.</p> <p>33.2.2.10 Ensure all claims contain valid data and comply with Procuring Agency and federal policies by editing them against MMIS claim exception criteria.</p> <p>33.2.2.11 Maintain internal controls which track all submitted claims including processed claims, re-processed claims, suspended claims, pended claims, and claims submitted by the Procuring Agency for special claims processing through numbered memorandums.</p> <p>33.2.2.12 Through the Claims Processing Subsystem the Contractor shall, at a minimum, perform the following activities:</p> <p style="padding-left: 40px;">33.2.2.12.1 Perform claims processing functions related to claim exceptions as required by the system documentation.</p> <p style="padding-left: 40px;">33.2.2.12.2 Properly process all claims using the provider file, the Prior Authorization (PA) file, the TPL file, the Eligibility file, the Procedure and Pricing files, and other reference files.</p> <p style="padding-left: 40px;">33.2.2.12.3 Provide the Procuring Agency the option of selecting the disposition of a claim exception to suspend claims for prepayment or post-payment review, pay-and-report only, or automatically deny claims.</p>

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations (continued)</p>	<p>33.2.2.12.4 Revise claim exception criteria (edit function, fail criteria, location disposition, and resolution) on instruction from the Procuring Agency.</p> <p>33.2.2.12.5 Implement additional claim exceptions upon instruction from the Procuring Agency.</p> <p>33.2.2.12.6 Review claims for significant discrepancies between billed and paid amounts. The Procuring Agency will approve all parameters to be used by the Contractor.</p> <p>33.2.2.12.7 Detect TPL paid amounts included on claims and deduct such amounts from the Medicaid amounts allowed for the service.</p> <p>33.2.2.12.8 Detect claims subject to client TPL resources and process them in compliance with TPL requirements.</p> <p>33.2.2.13 The Contractor shall perform claims processing functions related to pricing and payments as follows and including related requirements in the system documentation or as directed or approved by the Procuring Agency:</p> <p>33.2.2.13.1 Price valid claims according to the appropriate reimbursement methodology.</p> <p>33.2.2.13.2 Ensure all payments for services that require authorization are paid in accordance with the authorization given.</p> <p>33.2.2.13.3 Price all claims for recipients with TPL resources in order to accurately report TPL cost avoidance.</p> <p>33.2.2.14 Perform claims processing functions related to claims suspended for resolution as follows and including related requirements in the system documentation or as otherwise directed and approved by the Procuring Agency.</p> <p>33.2.2.14.1 Perform online suspense resolution for all claims according to the suspense resolution instructions in the Exception Control File.</p>

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations (continued)</p>	<p>33.2.2.14.2 Maintain and update procedure and resolution manuals and databases.</p> <p>33.2.2.14.3 Maintain an adequately staffed claims resolution unit to resolve suspended claims. The unit shall maintain a close working relationship with the Procuring Agency in developing and writing the resolution instructions and in resolving claims in accordance with program policy and procedures.</p> <p>33.2.2.14.4 Review the processes for resolving claims on a regular basis. Initiate or respond to requests from the Procuring Agency regarding improvements and changes such as authorizing appropriate user authority to resolve claims in the most efficient manner.</p> <p>33.2.2.14.5 Ensure claims are not denied without valid reasons. Each claim denial will have a specific explanation that clearly identifies the reason for denial.</p> <p>33.2.2.14.6 Suspend claims for review by the Contractor or the Procuring Agency for specific recipients, specific providers, or specific procedure codes, through a prepayment review process as requested by the Procuring Agency.</p> <p>33.2.2.14.7 Ninety percent of problem claims resolution will be adjudicated within ten (10) business days of claim suspension date.</p> <p>33.2.2.14.8 The Contractor shall resolve all suspended claims within thirty (30) business days of suspension unless otherwise determined by the Procuring Agency.</p> <p>33.2.2.14.9 The Contractor shall disposition manually any claims that cannot be automatically adjudicated by the automated system. General activities within the manual resolution phase include, but will not be limited to, the following:</p> <p style="padding-left: 40px;">33.2.2.14.9.1 Analysis of error and suspended claims listings.</p>

Task Item	Subtasks	Description
<p>33.2 Provide Claims / Encounter Adjudication (continued)</p>	<p>33.2.2 Meet Detailed Specifications for OmniCaid Operations (continued)</p>	<p>33.2.2.14.9.2 Contractor will provide Procuring Agency a weekly suspense report.</p> <p>33.2.2.14.9.3 Research and correction of possible errors.</p> <p>33.2.2.14.9.4 Routing of claims for medical review, eligibility validation, or TPL review.</p> <p>33.2.2.14.9.5 Entering corrective actions to be applied to suspended claims.</p> <p>33.2.2.14.9.6 Manually price claims, when appropriate, according to instructions issued by the Procuring Agency.</p> <p>33.2.2.15 Perform, at a minimum, the following claims processing functions related to claims adjudication:</p> <p>33.2.2.15.1 Adjudicate claims according to the Medical Assistance Program direction, provider billing instructions, claim resolution instructions, and in conformity with medical, dental, or institutional care practices as instructed by the Procuring Agency.</p> <p>33.2.2.15.2 Adjudicate claims daily and through the MMIS online adjudicator, as directed by the Procuring Agency.</p> <p>33.2.2.15.3 Maintain proper quality control on the accuracy of claims payments to ensure that the rate of claims processing errors will not exceed 0.5% of the total number of claims processed in any month. The error percentage will be determined in reference to the total claims processed in the reporting period. The Contractor shall sample claims on a monthly basis and provide the Procuring Agency with a report of claims payment accuracy. The Contractor's sampling criteria must be approved by the Procuring Agency</p> <p>33.2.2.15.4 Correct any mis-payments and correct any system deficiencies that result in mis-payment or potential mis-payment of claims even if the overall error rate is under 0.5%.</p>

Task Item	Subtasks	Description
<p>33.3 Provide Payment and Reporting</p> <p>33.3 Provide Payment and Reporting (continued)</p>	<p>Specifications for Payment and Reporting</p> <p>33.3.1 Meet Detailed Specifications for Payment and Reporting (continued)</p>	<p>33.3.1.2 Include capitation payments in at least one weekly financial (warrant cycle) per month, as directed by the Procuring Agency.</p> <p>33.3.1.3 Issue provider and MCO payments and maintain an accounting file of financial transactions as approved by the Procuring Agency.</p> <p>33.3.1.4 Make payment via electronic funds transfer (EFT) to providers who have supplied banking information via the Contractor's Web portal.</p> <p>33.3.1.5 Perform, at a minimum, the following functions related to paper warrant production:</p> <p>33.3.1.6.1 Maintain a check hold log of those providers who are determined by the Procuring Agency to be out of cost report compliance, have had a change of ownership, have had a voluntary closure, are subject to liens and court orders, or are out of compliance with Medicaid policies and procedures.</p> <p style="padding-left: 40px;">33.3.1.6.1.1 Update the MMIS system list that prevents such providers from receiving payment via EFT and forces a paper warrant to be generated.</p> <p>33.3.1.7 Process provider refund checks.</p> <p>33.3.1.8 Process adjustments and voids related to provider refunds.</p> <p>33.3.1.9 Balance the weekly check write amounts.</p> <p>33.3.1.10 Process returned and voided warrants.</p> <p>33.3.1.11 Process manual advance check requests from the Procuring Agency.</p> <p>33.3.1.12 Communicate with the Procuring Agency and with the State Treasury Office regarding voided warrants, re-issued warrants, and other warrant issues.</p>

Task Item	Subtasks	Description
<p>33.3 Provide Payment and Reporting (continued)</p> <p>33.4 Provide Capitation and Premium Preparation</p> <p>33.5 Provide Payment Information Management</p>		<p>33.3.1.13 Develop new remittance advice messages as needed and/or as required and approved by the Procuring Agency to improve communications to providers.</p> <p>33.3.1.14 Mail Recipient Explanation of Medical Benefits (REOMB) to recipients of services in a timely manner, meeting all federal standards for REOMB and the REOMB process.</p>
	<p>33.3.1 Meet Detailed Specifications for Payment and Reporting (continued)</p>	<p>Contractor shall ensure the accuracy of the data maintained in Omnicaid, provided by ASPEN, and the full range of functions supported by the client, provider, claims, and general subsystems as described in the system documentation.</p> <p>The Contractor shall use client enrollment and demographic information as well as information from the plan table and rates table to generate capitation claims.</p>
	<p>33.4.1 Ensure Functions and Maintenance of Managed Care</p>	<p>The Contractor shall edit capitation claims prior to adjudication to prevent payment of duplicate capitations or capitations generated for clients who have lost eligibility subsequent to capitation claim generation.</p>
	<p>33.4.2 Generate Capitation Claims</p>	<p>The Contractor shall maintain paid and denied claims and encounters on the online Claims History file for a minimum of seven (7) years and make them available for inquiry.</p>
	<p>33.4.3 Edit Capitation Claims Before Adjudication</p>	<p>The Contractor shall ensure an MMIS system response time for online inquiries into the Claims History file of under five (5) seconds unless requested using a non-key selection field (other than Transaction Control Number (TCN), Provider ID or Recipient ID) in which case the response time will be under ten (10) seconds.</p>
	<p>33.5.1 Maintain Online Claims History File for Seven Years</p>	<p>The Contractor shall provide extracts of the paid claims history file for Procuring Agency use in monitoring service utilization.</p>
	<p>33.5.2 Maintain Rapid Response Time for Claims History Inquiries</p>	<p>The Contractor shall archive claims records in accordance with Procuring Agency policy.</p>

Task Item	Subtasks	Description
33.6 Manage Recoupment	<p>33.5.3 Provide Extracts of Paid Claims History File to the Procuring Agency</p> <p>33.5.4 Archive Claims Records Per Procuring Agency Policy</p> <p>33.6.1 Track Status of Individual Receivables</p> <p>33.6.2 Deduct or Collect Outstanding Receivables</p> <p>33.6.3 Post Payments to Accounts Receivable</p> <p>33.6.4 Analyze and Report Receivables Progress to the Procuring Agency</p>	<p>The Contractor will use the Accounting and Financial Reporting Subsystem to track the status of individual receivables.</p> <p>Receivables will be deducted from future provider payments if possible. Otherwise, the Contractor or the Procuring Agency, when appropriate, will collect outstanding receivables directly from providers.</p> <p>The Contractor shall receive and post payments from providers to apply to accounts receivable, including refunds, overpayments, and third-party payments.</p> <p>The Contractor shall analyze the accounts receivable report monthly, documenting receivables that are slow in being recouped and receivables for which the provider is no longer active. The Contractor shall research receivables where the Contractor is no longer active to determine if provider participation occurs under a different provider number or as part of a group practice and forward such information to the Procuring Agency.</p>
33.7 Manage Medicaid Services Questionnaire Third Party Liability Recovery	33.7.1 Meet Detailed Specifications for the TPL	<p>33.7.1 The Contractor shall be responsible for the function and maintenance of the Third Party Liability (TPL) subsystem to ensure the proper cost avoidance, post payment recovery, and payment of claims. The Contractor is responsible for all functions of third party liability, through interfaces, using MMIS system functions, and by making manual updates and changes as necessary, to third party and other resource information maintained in the MMIS</p> <p>33.7.2 The Contractor shall perform the following general Medicaid Services Questionnaire (MSQ) benefit recovery activities:</p> <p>33.7.2.1 Process all payments received from third parties.</p> <p>33.7.2.2 Identify, open, and close recovery cases, including aggressively pursuing data matches with other insurers to identify client third party resources.</p>

Task Item	Subtasks	Description
<p data-bbox="207 323 410 611">33.7 Manage Medicaid Services Questionnaire Third Party Liability Recovery (continued)</p> <p data-bbox="207 764 391 905">33.8 Manage Agreed Payment Schedule</p>	<p data-bbox="438 436 631 577">33.7.2 Meet Detailed Specifications for the TPL</p> <p data-bbox="438 873 646 1117">33.8.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p data-bbox="786 289 1268 321">33.7.2.3 Generate notices as required.</p> <p data-bbox="786 363 1425 432">33.7.2.4 Enter the amount of recovery on the TPL billing window.</p> <p data-bbox="786 474 1495 577">33.7.2.5 Maintain the TPL Carrier File including the insurance carrier name and address, phone number, and the contact person.</p> <p data-bbox="690 693 1479 833">Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p data-bbox="690 873 1300 905">33.8.1.1 Jan 1, 2023 – Apr 30, 2024 \$80,461.04</p>

Deliverable 34: Ongoing Drug Rebate Management [Monthly Fiscal Operations]

<u>Deliverable Thirty-Four</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Drug Rebate Management [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$313,549.13 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$19,596.82 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
34.1 Manage All CMS Interactions on Drug Rebates	34.1.1 Maintain the CMS Listing of Drug Rebate Agreements	The Contractor shall accept and maintain the Centers for Medicare and Medicaid Services (CMS) current listing of manufacturers with drug rebate agreements.
	34.1.2 Process CMS Drug Rebate Tape	The Contractor shall process the CMS drug rebate tape on a quarterly basis.
	34.1.3 Update Drug Record per CMS Data	The Contractor shall extract National Drug Code (NDC) termination dates and Drug-Effectiveness Source Identifier (DESI) flags from the CMS tape and update the appropriate coverage or pricing data on the drug record.
	34.1.4 Correct Drug Rebate Information	The Contractor shall use the quarterly tape from CMS to process and identify by NDC level any corrections to rebate information received from the CMS or from the manufacturers.
	34.1.5 Transmit Drug Rebate Invoices to CMS	The Contractor shall generate and transmit to the CMS a quarterly file of all drug rebate invoices including prior period adjustments resulting from dispute resolution.
	34.1.6 Resolve Any Processing Errors with CMS	The Contractor shall resolve any processing errors reported back from CMS concerning the quarterly rebate tape. Provide an explanation to CMS and to the Procuring Agency along with the method of correction to prevent the errors in future quarters.

Task Item	Subtasks	Description
<p>34.1 Manage All CMS Interactions on Drug Rebates (continued)</p>	<p>34.1.7 Update Manufacturer Contacts Using the Federal Releases</p>	<p>The Contractor shall update all manufacturer contacts and addresses in the manufacturer's file using the federal releases from the central office. Contacts and addresses include the invoice address, dispute resolution address, accounting contact, and product information contact. The files on each manufacturer include dates of the rebate agreement addition/deletion, products covered, and any subsidiaries.</p>
<p>34.2 Perform Drug Rebate Functions</p>	<p>34.2.1 Meet Detailed Drug Rebate Specifications of Omnibus Budget Reconciliation Act of 1990 (OBRA '90)</p>	<p>The Contractor shall perform all functions necessary to meet the requirements of Omnibus Budget Reconciliation Act of 1990 (OBRA '90) regarding the collection of drug rebates from drug manufacturers, including:</p> <p>34.2.1.1 Prepare and mail quarterly invoices to each manufacturer with rebate agreements with CMS. Invoices will be sorted by NDC and will follow the CMS and State standards.</p> <p>34.2.1.2 Base invoice amounts on counts of prescriptions and payment totals by NDC for each manufacturer.</p> <p>34.2.1.3 Calculate adjustments to previous quarter invoices based on claim adjustments received in the reporting quarter.</p> <p>34.2.1.4 Prepare and mail invoices within two (2) weeks of receipt of the CMS tape or within sixty (60) days of the close of each calendar quarter, whichever comes first.</p> <p>34.2.1.5 Reconcile drug manufacturer payments to invoices, including invoices for FFS claims and MCO encounters.</p> <p>34.2.1.6 Post all drug rebate payments received from manufacturers within five (5) business days of receipt of payment. Record all payments, overpayments, and invoices that have not been paid.</p> <p>34.2.1.7 Perform accounts receivable tracking, reporting, and updating, and make the status available to the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>34.2 Perform Drug Rebate Functions (continued)</p>	<p>34.2.1 Meet Detailed Drug Rebate Specifications of OBRA '90 (continued)</p> <p>34.2.2 Maintain Drug Rebate / Invoice Records Online</p> <p>34.2.3 Review Claim Level Audit Reports and Perform Adjustments</p> <p>34.2.4 Recoup Claims If Billing</p>	<p>34.2.1.8 Generate initial collection letters to non-responding manufacturers 38 days from the mailing date of the invoice.</p> <p>34.2.1.9 Pursue resolution in a timely and aggressive manner of all amounts due to the Procuring Agency but not paid or disputed by the drug manufacturer for which the Contractor has adequate claims, invoice, and if applicable, dispute resolution data from any source (including hardcopy files from the prior rebate Contractor) that is sufficient to enable the Contractor to identify the non-payment and report on the resolution of said non-payment.</p> <p>34.2.1.10 Establish and maintain close and ongoing coordination with the Procuring Agency in compiling and filing all necessary state and/or federal reports pertaining to the Procuring Agency's federal rebate program.</p> <p>34.2.1.11 Provide all necessary support, documentation, and testimony in the event of a state or federal audit of the Procuring Agency's drug rebate system, to the extent of the Contractor's knowledge and the relevant documentation in the Contractor's possession.</p> <p>34.2.1.12 Develop policies and procedures for performing drug rebate processing activities; all policies and procedures must adhere to State and Federal guidelines and be approved by the Procuring Agency.</p> <p>The Contractor shall maintain all quarterly drug rebate/invoice information to accommodate prior period adjustment processing. Twelve (12) quarters will be available online.</p> <p>The Contractor shall review claim level audit reports for unlikely units and utilization to correct invoices prior to invoicing manufacturers and shall perform claim adjustments to reflect adjusted drug utilization information identified during the drug rebate dispute resolution process.</p> <p>The Contractor shall recoup claims if the billing pharmacy does not respond within a specified time period as determined by the Procuring Agency to a request for invoices or billing documents.</p>

Task Item	Subtasks	Description
34.3 Perform Dispute Resolution	Pharmacy Does Not Respond	<p>The Contractor shall initiate adjustments if the billing pharmacy identifies an error in the claim data billed.</p>
	34.2.5 Make Claim Adjustments	<p>The Contractor shall pursue resolution in a timely and aggressive manner all unresolved drug manufacturer disputes (regardless of when dispute was filed by the drug manufacturer) for which the Contractor has adequate claims, invoice, payment, payment reconciliation, and dispute identification data from any source (including hardcopy files from the prior rebate Contractor) that is sufficient to enable the Contractor to identify the dispute, the current status thereof and report on the resolution of said dispute. The Contractor must contact dispensing pharmacies or administering practitioners or facilities when necessary to verify the accuracy of a claim or claims associated with disputes.</p>
	34.3.1 Pursue Resolution of All Drug Manufacturer Disputes in a Timely and Aggressive Manner	<p>The Contractor shall provide the Procuring Agency a quarterly report on the nature and status of unresolved disputes due by January 5th, April 5th, July 5th, and October 5th of each year.</p>
	34.3.2 Report Unresolved Disputes to the State Quarterly	<p>The Contractor shall provide all necessary support and testimony should a drug manufacturer dispute proceed to administrative or judicial review, to the extent of the Contractor's knowledge and the relevant documentation in the Contractor's possession.</p>
	34.3.3 Support Any Drug Manufacturer Disputes that Escalate to Administrative or Judicial Review	<p>The Contractor shall coordinate any claims correction issues pertaining to drug rebate invoicing and disputes.</p>
34.4 Manage Agreed	34.3.4 Coordinate Claims Correction Issues	<p>The Contractor shall report all adjustments and recoupments made as a result of the dispute research to the Procuring Agency.</p>
	34.3.5 Report Adjustments & Recoupments to the State	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p>

Task Item	Subtasks	Description
Payment Schedule	34.4.1 Invoice the Procuring Agency According to the Operations Payment Schedule	34.4.1.1 Jan 1, 2023 – Apr 30, 2024 \$19,596.82

Deliverable 35: Ongoing Program Management [Monthly Fiscal Operations]

<u>Deliverable Thirty-Five</u>	<u>Due Date</u>	<u>Compensation</u>
Ongoing Program Management [Monthly Fiscal Operations]	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$541,907.24 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$33,869.20 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
35.1 Manage 1099 Series IRS Tax Forms	35.1.1 Maintain MMIS Ability to Produce 1099 Series IRS Tax Forms (1099s)	The Contractor shall maintain the MMIS functionality required to produce annual 1099 series IRS tax forms (1099s).
	35.1.2 Print and Mail 1099s	The Contractor shall print and mail provider 1099s annually.
	35.1.3 Forward 1099 Data to IRS	The Contractor shall forward the 1099 data file to the IRS as required.
	35.1.4 Correct & Re-Issue any 1099s Reported with Errors	The Contractor shall correct and re-issue any 1099 reported with name-number mismatch as reported by the provider.
35.2 Perform Accounting Functions	35.2.1 Operate Claims Payment, Reporting and Financial Subsystems	The Contractor shall operate the Claims Payment, the Reporting and the Financial Subsystems to track and report fiscal activity related to health care programs Contractor has paid. The Contractor shall meet or exceed the current MMIS Financial Subsystem functions.
	35.2.2 Use Double Entry Bookkeeping & Follow GAAP.	All financial transactions will be recorded using the double entry method of bookkeeping and will follow Generally Accepted Accounting Principles (GAAP).
	35.2.3 Segregate Transactions by Fiscal Years	All transactions involving expenses will be segregated by State and federal fiscal years and recorded appropriately in the accounting records, as controlled by the MMIS.

Task Item	Subtasks	Description
35.2 Perform Accounting Functions (continued)	35.2.4 Segregate Transactions with Procuring Agency Institutions 35.2.5 Segregate Transactions with Specified Programs 35.2.6 Entering Transactions into MMIS as Directed by the Procuring Agency 35.2.7 Limit Access to the Provider File 35.2.8 Transmit Financial Transactions to the Procuring Agency Electronically 35.2.9 Associate Transactions with Proper Accounting Codes 35.2.10 Meet Detailed Specifications for Accounting Functions	<p>Transactions with Procuring Agency institutions will be segregated from the transactions of other providers as defined and provided for in the MMIS.</p> <p>Transactions for Children’s Medical Services, other non-Medicaid services, Home and Community-Based Services Waivers, and other programs as specified by the Procuring Agency will also be segregated from other transactions and will be capable of being reported separately through the use of cost centers assigned in the MMIS.</p> <p>The Contractor is responsible for entering financial transactions (accounts receivable, payouts and receipts) into the MMIS as directed by the Procuring Agency.</p> <p>Contractor personnel who have financial transaction privileges must be prohibited from updating the Provider File.</p> <p>The Contractor shall capture in the MMIS all financial transactions as defined by the Procuring Agency and provide information to the Administrative Services Division (ASD) through electronic transactions as defined by the Procuring Agency.</p> <p>Each transaction will be associated with the proper cost center and/or accounting codes to enable the Procuring Agency to associate budgets and expenditures with cost categories, all as assigned by the MMIS.</p> <p>At a minimum, the Contractor shall:</p> <p>35.2.10.1 Capture each financial transaction and determine applicable Federal Financial Participation (FFP). The Federal Financial Participation percentages are updated in the MMIS by the Contractor upon notification from the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>35.2 Perform Accounting Functions (continued)</p>	<p>35.2.10 Meet Detailed Specifications for Accounting Functions (continued)</p>	<p>35.2.10.2 Establish, monitor and maintain receivable balances for each provider and provide information to ASD through reports and electronic transactions and as defined by the Procuring Agency.</p> <p>35.2.10.3 Account for funds recouped from contracted third-party processor (HMS) and providers.</p> <p>35.2.10.4 Produce summary reports to monitor expenditures and program trends.</p> <p>35.2.10.5 Link summary level accounting transactions to individual claims or other MMIS transactions.</p> <p>35.2.10.6 Process financial transactions, including advances, cost settlements, gross level payouts to providers; maintain documentation for each transaction; and ensure each transaction is carried out only with proper authorization.</p> <p>35.2.10.7 Receive and post payments from providers to apply to accounts receivable, including refunds, overpayments, and third-party payments.</p> <p>35.2.10.8 Coordinate activities with the financial units of the Procuring Agency to ensure the correct disposition of financial transactions including meeting Procuring Agency requirements for the security and rapid disposition of all checks received by the Contractor.</p> <p>35.2.10.9 Ensure that all Contractor financial activities meet generally accepted accounting standards as approved by the Procuring Agency.</p> <p>35.2.10.10 Enforce strict oversight of all Contractor activities to ensure that there is no fraud, abuse, mismanagement, or poorly kept or incomplete financial records on the part of the Contractor.</p> <p>35.2.10.11 The Contractor shall provide interfaces between the MMIS and the Procuring Agency's Accounting System.</p>
<p>35.3 Support Quality</p>		<p>The Contractor shall support Procuring Agency quality control and contract monitoring plans, federal and State</p>

Task Item	Subtasks	Description
<p>Assurance Activities</p> <p>35.3 Support Quality Assurance Activities (continued)</p> <p>35.4 Maintain</p>	<p>35.3.1 Support the Procuring Agency's Quality Control, Contract Monitoring and Audits</p> <p>35.3.2 Sample Past Claims for Quality Control</p> <p>35.3.3 Support the Procuring Agency's Medicaid Eligibility Quality Control Process</p> <p>35.3.4 Support the Procuring Agency's Work to Measure and Reduce Payment Error Rates</p> <p>35.3.5 Support the Procuring Agency's Medicaid Integrity Plan Activities</p>	<p>audits, quality assurance reviews, and the Contractor's internal quality control program.</p> <p>The Contractor shall collect random samples of past claims for quality control evaluations as requested by the Procuring Agency.</p> <p>The Contractor shall provide Medicaid Eligibility Quality Control (MEQC) samples and explanations designed to support the MEQC process administered by the Procuring Agency. The Contractor's MEQC abilities shall meet or exceed the system functionality as described in the MMIS documentation.</p> <p>35.3.3.1 The MEQC sample shall be produced monthly according to specifications given by the Procuring Agency.</p> <p>35.3.3.2 Documentation shall include the MMIS eligibility record and claims payment histories for the selected clients and provide explanations for payment as necessary.</p> <p>The Contractor shall support the Procuring Agency's Payment Error Rate Measurement (PERM) activities by providing specialized claims processing training to Procuring Agency staff, responding to information requests, and stationing a business analyst at the Procuring Agency's office in Santa Fe during on-site reviews by the federal PERM auditors.</p> <p>The Contractor shall support the Procuring Agency's Medicaid Integrity Plan activities by providing specialized claims processing training to Procuring Agency staff, responding to information requests, and stationing a business analyst at the Procuring Agency's office in Santa Fe, if necessary, during on-site reviews by CMS-contracted Medicaid Integrity Contractors.</p> <p>The Contractor shall be responsible for the functions and maintenance of all MMIS reference files, pricing files, and other MMIS files to ensure the proper payment of claims. The Contractor is responsible for all functions of the</p>

Task Item	Subtasks	Description
<p>Benefit / Reference Information</p> <p>35.4 Maintain Benefit / Reference Information (continued)</p>	<p>35.4.1 Maintain the Reference File Subsystem</p> <p>35.4.1 Maintain the Reference File Subsystem (continued)</p> <p>35.4.2 Maintain and Update all</p>	<p>Reference File subsystem and file updates through interfaces, using MMIS system functions, and by making manual updates and changes as necessary to information maintained in the MMIS.</p> <p>35.4.1.1 The Reference Files consist of several different files and associated maintenance and editing programs used to validate data on claims. Reference file information is also used in claims processing to assist in calculating the allowed payments to providers for specific services. In addition, the Reference Files contain information provided by the Procuring Agency to assist in enforcing various Medicaid policies. The Contractor shall meet or exceed all existing functionality in the OmniCaid Reference Subsystem.</p> <p>35.4.1.2 Examples of Reference Files include but are not limited to Current Physician Terminology (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes, ICD-10 CM diagnosis codes, and ICD-10-CM diagnostic procedure and surgical codes, various rates files, and exceptions (system edits and dispositions.)</p> <p>35.4.1.3 Data elements and functions of the Reference Files are found in the system documentation and include elements associated with pricing and fee schedules; indicators necessary to control program benefits limitations, accumulate data for reports, detect medically inappropriate procedures or utilization and otherwise accurately process claims; laboratory CLIA information; and data to ensure procedures and diagnoses are consistent with the age and gender of the client.</p> <p>The Contractor shall maintain and update the Reference File subsystem and Reference File data including but not limited to:</p> <p>35.4.2.1 Diagnoses, procedures, drug codes, rate files, message and EOB text files and the exception (edit) location, disposition, and resolution files.</p> <p>35.4.2.1 Changes to rates, benefit indicators, prior authorization indicators, and all other indicators that affect claims processing or reporting.</p>

Task Item	Subtasks	Description
<p>35.4 Maintain Benefit / Reference Information (continued)</p>	<p>Reference File Data</p> <p>35.4.3 Make and Document Reference File Updates When Requested</p> <p>35.4.4 Inform the Procuring Agency of Any Changes Proposed in the Claim Exception Master File</p> <p>35.4.5 Periodic Updates to the Reference Files May be Handled as System Change Requests</p> <p>35.4.6 Make Routine Updates Within Agreed Time Period, Using Quality Control and Maintaining an Audit Trail</p>	<p>The Contractor shall make all Reference File updates and changes upon written request by the Procuring Agency and shall maintain complete and accurate documentation of all changes made. The Contractor shall provide controls to ensure that all data is correctly entered and verified. The Contractor shall inform the Procuring Agency in writing of any changes made in the claim exception master file and document all changes made. Authority to authorize activation or deactivation of claim exceptions rests solely with the Procuring Agency.</p> <p>When updates and changes to the data in the Reference Files are made because of the periodic updates from the official coding sources (for example, Current Procedural Terminology code updates in the Healthcare Common Procedure Coding System file), the updates and changes may be handled as System Change Requests through batch updates with the files maintenance staff responsible only for changes that cannot be accomplished systematically.</p> <p>The Contractor shall make all routine updates and changes to the files within five (5) business days of the requests unless otherwise directed by the Procuring Agency; shall subject the file changes to the Contractor's internal quality control process; shall notify the Procuring Agency in writing when the changes have been made; shall maintain an audit trail that can demonstrate any file changes were requested or authorized by the Procuring Agency, and shall review internal system audit trails to ensure that no unauthorized changes are made to the files.</p> <p>When an update or change to data in the files is necessary on an emergency basis to avoid making an incorrect payment, the Contractor shall make every reasonable attempt to make the changes the same day the change or update is requested.</p> <p>The Contractor shall enter updates to the Managed Care files, Rate Files, and Cohort tables as instructed by the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>35.4 Maintain Benefit / Reference Information (continued)</p>	<p>35.4.7 Provide Same-Day Reference File Updates When Necessary</p> <p>35.4.8 Enter Updates to the Managed Care Files, Rate Files, and Cohort tables</p> <p>35.4.9 Make Updates Required by Changes in the National Billing Code System</p>	<p>The Contractor shall provide qualified expertise through positions or other organizational means to assume the primary responsibility for making changes to the MMIS Reference Files following updates from all national billing code systems and values, including diagnoses, procedures, valid values that are part of the national billing code schemes, and payment levels that are incorporated into the New Mexico pricing methodologies. This includes:</p> <p>35.4.9.1 Tracking changes that are occurring at the national level and within Medicare and assuming the primary responsibility to implement changes approved by the Procuring Agency in the MMIS.</p> <p>35.4.9.2 Preparing billing code and pricing updates for the MMIS under the direction of and for the final approval by the Procuring Agency.</p> <p>35.4.9.3 Identifying the impact of billing code changes, pricing changes, and payment methodology changes on MMIS exceptions, utilization edits, National Correct Coding Initiative edits, and provider billing, and presenting the results of this analysis to the Procuring Agency for possible implementation of reference file updates.</p> <p>35.4.9.4 Preparing drafts of the communications with providers pertaining to such changes.</p> <p>The Contractor shall develop and maintain an updated file maintenance manual that documents the instructions used by Contractor staff for updating Reference Files. The Contractor shall supply the current version to the Procuring Agency. Files maintenance instructions are subject to approval by the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>35.4 Maintain Benefit / Reference Information (continued)</p>	<p>35.4.10 Maintain a Reference File Update Instructions Manual and Deliver it to the Procuring Agency</p> <p>35.4.11 Provide the Procuring Agency with Reference Files</p> <p>35.4.12 Accept Reference File Instructions from in Electronic or Paper Media</p> <p>35.4.13 Provide Reference File Reports</p> <p>35.4.14 Provide Sufficient Staff to meet Performance and Quality Standards</p> <p>35.4.15 Ensure Staff Understand the Reference Files and Provide Training</p>	<p>The Contractor shall provide the Procuring Agency with copies of each Reference File in the requested media when required by the Procuring Agency.</p> <p>The Contractor shall be capable of accepting initial or maintenance information from the Procuring Agency in hard copy or soft copy formats or as available from official sources on the Internet.</p> <p>The Contractor shall provide scheduled and ad hoc reports based on the information in the reference files.</p> <p>The Contractor shall provide sufficient files maintenance staff to meet the required performance and quality standards.</p> <p>The Contractor shall have staff that are knowledgeable on the uses, functions, and operations of the files and will provide training and assistance to the Procuring Agency and other users as necessary.</p> <p>The Contractor shall have staff members that are knowledgeable on coding systems and will provide training and assistance to providers as necessary.</p> <p>The files are and will continue to be available for query and updates in an online, real-time mode but may also be updated through batch processes within a twenty-four (24) hour period unless prior approval is received from the Procuring Agency for an extended due date. The files will be capable of storing and retrieving data as necessary to accurately process and pay claims and to support other MMIS functions.</p> <p>The Contractor shall produce all output reports as indicated in the system documentation and as set up as production reports in the MMIS.</p>

Task Item	Subtasks	Description
35.5 Manage Agreed Payment Schedule	<p>35.4.16 Ensure Staff Understand the Coding Systems and Provide Training</p> <p>35.4.17 Maintain Real-time Access for Query & Updates Alongside Batch Updates</p> <p>35.4.18 Produce Output Reports</p> <p>35.4.19 Maintain Seven-Year History of Reference File Updates</p>	<p>The Contractor shall maintain a history of file updates and previous Reference file data for seven years.</p> <p>The Contractor shall perform manual pricing when the Procuring Agency can give adequate pricing instructions. The Procuring Agency staff will price services for which the Procuring Agency cannot give adequate pricing instructions.</p> <p>The Contractor will update the Gross Receipts Tax (GRT) rates in the MMIS to accommodate changes that typically occur on January 1 and July 1 of each year. New Mexico’s GRT rates vary from county to county, for different towns and cities within a single county, for different zip codes within a town, and may also vary within the same zip code.</p> <p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>35.5.1.1 Jan 1, 2023 – Apr 30, 2024 \$33,869.20</p>
35.5 Manage Agreed Payment Schedule	<p>35.4.20 Perform Manual Pricing When Procuring Agency Provides Instructions</p> <p>35.4.21 Update Gross Receipts Tax Rates for Each Region When They Change</p>	

Task Item	Subtasks	Description
	35.5.1 Invoice the Procuring Agency According to the Operations Payment Schedule	

Deliverable 36: Ongoing Pharmacy Benefits Management Services [Monthly Fiscal Operations]

<u>Deliverable Thirty-Six</u>	<u>Due Date</u>	<u>Compensation</u>
<p>Ongoing Pharmacy Benefits Management Services</p> <p>[Monthly Fiscal Operations]</p>	<p>Start: 1/01/2023</p> <p>End: 4/30/2024</p>	<p>Total Compensation not to exceed \$1,655,311.44 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$103,456.96 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
36..1 Process Pharmacy Claims	36..1.1 Use a Pharmacy Benefits Management System (PBMS)	The Contractor shall process pharmacy claims using a Pharmacy Benefits Management System (PBMS) provided by the Contractor. The Procuring Agency will supply guidance for PBMS operations.
	36..1.2 Maintain Drug Reference Files for Claim Pricing Capability	The Contractor shall maintain the drug reference files for claim pricing capability at all state and federally defined levels using “lower of” logic, claim editing capabilities, and detailed claims history in the PBMS. Selected data elements of the claims history and drug reference files shall be additionally kept in the MMIS through interfaces from the PBMS to the MMIS that shall occur not less than daily.
	36..1.3 Process Weekly Updates from Drug Pricing Service	The Contractor shall process weekly updates from Fiserv Bank or a similar Procuring Agency-approved drug pricing service to receive and update reference file data. The Contractor will provide the subcontracted drug pricing service at no additional cost to the Procuring Agency. Maintain and update all pricing levels as defined by the Procuring Agency, including estimated acquisition costs federal upper limits, NADAC, WAC (wholesale actual cost), federal supply schedule pricing, and any other pricing levels which the Procuring Agency can supply directly or through electronic interface.
	36..1.4 Ensure Sufficiency of PBMS Data	The data maintained in the MMIS as received from the PBMS shall be sufficient to meet all Procuring Agency payment, accounting, inquiry, and MMIS reporting standards. Warrants to the provider are issued by the MMIS.

Task Item	Subtasks	Description
36..1 Process Pharmacy Claims (continued)	36..1.5 Provide Secure Online Access to PBMS Data 36..1.6 Maintain Interfaces Between MMIS and the PBMS 36..1.7 Maintain Comprehensive Online Audit Trail 36..1.8 Use NCPDP standards and Pharmacy Universal Claim Form 36..1.9 Enter Data from Paper Claims into the PBMS 36..1.10 Protect Confidentiality of Eligibility Information	<p>The detailed claims history, reference files, and other databases of the PBMS shall be available to Procuring Agency and Contractor staff online through access-controlled inquiry functions.</p> <p>The Contractor shall maintain the necessary interfaces between the MMIS and the PBMS to ensure the availability of accurate information regarding client eligibility, provider eligibility, other insurance resources, client benefit limitations, managed care enrollment status, and other data necessary for the PBMS to correctly process pharmacy claims.</p> <p>The Contractor shall maintain an audit trail of all database changes and updates accessible through online inquiry, with dates, times, and user ID codes and shall document reference database changes approved by the Procuring Agency.</p> <p>The Contractor shall use NCPDP standards and the Pharmacy Universal Claim Form or a similar form approved by the Procuring Agency, including online submission of multiple ingredient compound prescriptions, ability to receive all NCPDP data fields, voids, rebilling, partial fill transactions, and the most detailed levels of reject code specificity.</p> <p>The Contractor shall process paper claims and adjustments by entering the data into the PBMS using Contractor staff based in New Mexico, within 75 miles of Santa Fe, New Mexico. The staff entering paper claims into the PBMS may be the same Contractor staff that enters non-pharmacy claims into the MMIS.</p> <p>The Contractor shall supply appropriate safeguards to protect the confidentiality of eligibility information, to conform to all Procuring Agency and federal confidentiality laws, and to ensure that Procuring Agency and federal HIPAA data security standards are met.</p> <p>The Contractor shall process pharmacy encounter claims from the Procuring Agency's Managed Care Organizations</p>

Task Item	Subtasks	Description
<p>36..1 Process Pharmacy Claims (continued)</p>	<p>36..1.11 Process MCO Pharmacy Encounter Claims</p>	<p>according to requirements and Procuring Agency standards that may differ from fee for service pharmacy claims.</p>
	<p>36..1.12 Input All Other Claims to the PBMS</p>	<p>The Contractor shall process other input documents to the PBMS including, but not limited to, claims for Medicare coinsurance and deductible (crossover claims), in both paper and electronic formats, authorizations for service in paper and electronic formats, and claim adjustments in paper and electronic formats.</p>
	<p>36..1.13 Limit Pharmacy Payments to CMS-Approved Manufacturers</p>	<p>Limit payments of pharmacy claims to drugs that are manufactured by companies on the CMS listing of manufacturers with drug rebate agreements, except as directed by the Procuring Agency.</p>
	<p>36..1.14 Provide Ongoing Quality Control</p>	<p>The Contractor shall provide for ongoing quality management initiatives subject to Procuring Agency approval.</p>
	<p>36..1.15 Provide Local Education for Providers and Clients</p>	<p>The Contractor shall access, plan, develop, implement, and evaluate locally-based provider and client education initiatives including pharmacy program-specific training and communications to pharmacy providers, medical providers and clients (recipients).</p>
<p>36..2 Support Drug Prior Authorization</p>	<p>36..2.1 Meet Detailed Specifications for the Procuring Agency's Prior Authorization Policies</p>	<p>The Contractor shall enforce the Procuring Agency's prior authorization policies by performing the following activities:</p> <p>36..2.1.1 Receiving prior authorization requests from providers, processing such requests in accordance with Procuring Agency policy, and entering approved authorizations into the PBMS.</p> <p>36..2.1.2 Entering authorization information as necessary from paper copies, reports, logs, or other documents as determined by the Procuring Agency as necessary to process claims timely and accurately including allowing for direct entry of authorization information into the PBMS by Contractor staff.</p>

Task Item	Subtasks	Description
36..3 Support E- Prescribing		The Contractor shall have the capability to interface with third party vendors to support with the Procuring Agency's E- Prescribing initiative.
36..3 Support E- Prescribing (continued)	36..3.1 Provide E- Prescribing Interfaces with Third Parties 36..3.2 Meet Detailed Specifications for E- Prescribing	<p>The Contractor shall:</p> <p>36..3.2.1 Conduct testing with Procuring Agency-specified, E- Prescribing vendors and become certified to exchange data with those vendors.</p> <p>36..3.2.2 Coordinate the installation of dedicated telecommunication lines between the Contractor's PBMS and Procuring Agency-specified, E- Prescribing vendors, with those costs to be borne by the other vendors.</p> <p>36..3.2.3 Provide a formulary benefit file to third party E- Prescribing vendors on a monthly basis.</p> <p>36..3.2.4 Provide a client eligibility file to third party E- Prescribing vendors on a daily basis.</p> <p>36..3.2.5 Accept eligibility verification requests and return responses in real-time.</p> <p>36..3.2.6 Accept claim history requests and return responses in real-time.</p>
36..4 Support Drug Utilization Review	36..4.1 Meet periodically with the Drug Utilization Review Committee	<p>The Contractor shall meet periodically with the Drug Utilization Review Committee to ensure that its needs for data, statistics, and other information are met.</p> <p>The Contractor shall provide training to the Procuring Agency staff, to Contractor staff, and to providers on application of Prospective Drug Utilization Review (ProDUR) principles.</p>

Task Item	Subtasks	Description
36..5 Maintain Pharmacy Support Help Desk	36..4.2 Provide Training on ProDUR Principles	<p>The Contractor shall work with pharmacies to minimize or eliminate missing or invalid prescriber identifying information.</p>
	36..4.3 Help Eliminate Prescriber ID Errors	
	36..5.1 Maintain and Staff Pharmacy Support Help Desk	<p>The Contractor, either directly or through the PBMS, shall maintain and completely staff a Pharmacy Support Help Desk available twenty-four (24) hours per day, seven (7) days per week, to include a telephone system, telephone lines and 24-hour pharmacist backup. The telephone lines will be toll-free nationwide.</p> <p>While the Pharmacy Support Help Desk may be located anywhere in the United States, the Contractor shall maintain a minimum of one full-time staff member in New Mexico with pharmacy-specific expertise sufficient to meet the in-state provider needs, including: provider education and communications, proactive problem solving, assisting the Procuring Agency in analysis of provider and client concerns and overall systems needs assessment, planning, implementation and evaluation of targeted resolution areas.</p>
	36..5.2 Keep at Least One Member of the Pharmacy Support Help Desk Located in New Mexico	<p>The Procuring Agency will monitor the Pharmacy Support Help Desk's performance and blockage rate by calculating monthly averages. The Contractor shall submit reports from the telephone company to the Procuring Agency upon request to allow this calculation to be made.</p>
	36..5.3 Submit Telephone Company Records to the Procuring Agency Upon Request	<p>The Contractor shall ensure all Pharmacy Support Help Desk staff members are trained in billing procedures, current New Mexico Medicaid policy, and telephone etiquette. The Contractor shall provide for periodic training of telephone representatives.</p>
36..5.4 Ensure Pharmacy Support Help Desk Staff are	<p>The Contractor shall respond to all provider inquiries made verbally concerning recipient eligibility, provider status, claim status, billing procedures, and remittance vouchers</p>	

Task Item	Subtasks	Description
36..5 Maintain Pharmacy Support Help Desk (Continued)	Qualified and Trained 36..5.5 Make Timely Responses to Providers' Verbal Inquiries	<p>immediately, if possible. If immediate verbal responses are not possible, written responses to verbal inquiries will be made within five (5) workdays of the date of the call. The Procuring Agency will approve all form letters in writing before they are put in use.</p> <p>The average waiting-on-hold time before callers reach a Help Desk staff member shall not exceed two (2) minutes.</p>
	36..5.6 Keep Waiting-on-Hold Time Within Agreed Service Levels	<p>The Help Desk call abandonment rate must not exceed 5%, as measured on a monthly basis.</p>
	36..5.7 Keep Call Abandonment Rate Within Agreed Service Levels	<p>Provide a corrective action plan to the Procuring Agency if A) the abandonment rate exceeds 5% or; B) the average speed of answer exceeds the maximum average two (2) minute threshold or; C) the Procuring Agency determines that an excessive number of calls are being routed to voice mail.</p>
	36..5.8 Provide Corrective Action Plan If Agreed Service Levels are Breached	<p>The Contractor shall maintain a log of Pharmacy Support Help Desk activity that will include, at a minimum and when applicable, the name and phone number of the pharmacy, prescriber's name and identification number, client's name and identification number, name of drug, therapeutic class, type of call, action taken, and outcome. The Contractor shall make an electronic version of the log available daily to the Procuring Agency's Pharmacy Administrator. The Contractor shall provide summary reports as directed by the Procuring Agency. The format of the log and of the summary reports will be subject to the Procuring Agency's approval.</p>
	36..5.9 Maintain a Daily Log of Pharmacy Support Help Desk Activity & Keep It Available to the Procuring Agency's Pharmacy Administrator	<p>The Contractor shall document and analyze the reasons for calls and initiate enhancements to reduce the number of calls through better automation, and/or training.</p>

Task Item	Subtasks	Description
<p>36..6 Manage Agreed Payment Schedule</p>	<p>36..5.10 Analyze the Root Cause of Calls & Work to Reduce Them</p> <p>36..6.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>36.6.1.1 Jan 1, 2023 – Apr 30, 2024 \$103,456.96</p>

Deliverable 37: Mi Via Financial Management Agent (FMA) – Ongoing Operations and Maintenance [Monthly Fiscal Operations]

<u>Deliverable Thirty-Seven</u>	<u>Due Date</u>	<u>Compensation</u>
<p>Mi Via FMA - Ongoing Operations and Maintenance [Monthly Fiscal Operations]</p>	<p>Start: 1/01/2023 End: 4/30/2024</p>	<p>Paid at a Fixed Rate Per Member Per Month and Per Claim Total Compensation Not to Exceed \$12,614.175.32 Including NM GRT to be paid monthly at a rate of \$140.55 per member, per month (PMPM) including NMGRGRT for Mi Via general administration activities, and \$37.37 per claim per month including NMGRGRT for 16 months.</p>

Task Item	Subtasks	Description
<p>37.1 Serve as Mi Via Financial Management Agent</p>	<p>37.1.1 Perform Financial Management Agent (FMA) Functions for the Mi Via Program</p>	<p>The Contractor shall function as the Financial Management Agent (FMA) for this program. As FMA, the Contractor shall enter employer (participant) and employee information, perform background and criminal record checks on prospective employees, process employee timesheets and invoices, and generate employee payments on behalf of the participant. The Contractor shall create claims for services and goods approved on the SSP and submit them to the MMIS for processing.</p>
	<p>37.1.2 Provide FMA Services, Manage Policies & Retain Records</p>	<p>As the Mi Via Financial Management Agent, the Contractor shall provide financial management services, develop and maintain written policies and procedures, and retain all records in conformance with New Mexico and federal statutes, New Mexico income tax regulations, and federal Internal Revenue Service (IRS) regulations.</p>
	<p>37.1.3 Support Centennial Care's Self-Directed Community Benefit</p>	<p>The Contractor shall function as the FMA for Centennial Care's Self-Directed Community Benefit (SDCB). The cost of the Contractor's FMA services for a Centennial Care member who meets nursing facility Level of Care criteria and elects to self-direct shall be borne by the member's Managed Care Organization, not the Procuring Agency.</p>
<p>37.2 Support Employer</p>		<p>The Contractor shall support employer and employee enrollment by performing the following activities:</p>

Task Item	Subtasks	Description
<p>and Employee Enrollment</p> <p>37.2 Support Employer and Employee Enrollment (continued)</p>	<p>37.2.1 Meet Detailed Specifications for Employer & Employee Enrollment</p> <p>37.2.1 Meet Detailed Specifications for Employer & Employee Enrollment (continued)</p>	<p>37.2.1.1 Mail Employer Information Packets and Employee Information Packets.</p> <p>37.2.1.2 Provide telephone support to participants and employees for completion of information packets.</p> <p>37.2.1.3 Receive and review completed Employer Information Packets and Employee Information Packets.</p> <p>37.2.1.4 Receive, process and store federal and state forms as required, including but not limited to the New Mexico Department of Labor Form ES-802, and IRS Forms SS-8, W-3, and W-9.</p> <p>37.2.1.5 Enter employer and employee data from information packets into the Plan of Care Management System (POCMS).</p> <p>37.2.1.6 Obtain vendor license information and associated expiration dates and update this information in the POCMS.</p> <p>37.2.1.7 Perform background and criminal record checks and fingerprinting, store hardcopy documents, and update indicators in the POCMS.</p> <p>37.2.1.8 Store completed hardcopy Employer Information Packets and Employee Information Packets, including electronic funds transfer forms.</p>
<p>37.3 Support Timesheet and Payment Request Processing</p>	<p>37.3.1 Meet Detailed Specifications for Timesheet and Payment Request Processing</p>	<p>Contractor shall support timesheet and payment request processing by performing the following activities:</p> <p>37.3.1.1 Receive timesheets for participants on the exception list and payment requests via hardcopy and fax.</p> <p>37.3.1.2 Scan and store images of timesheets and payment requests received via hardcopy and fax.</p> <p>37.3.1.3 Enter timesheets and payment requests into the POCMS.</p> <p>37.3.1.4 Place telephone calls or send email to timesheet and payment request submitters to resolve errors encountered during</p>

Task Item	Subtasks	Description
<p>37.4 Support Payroll and Financial Processing</p> <p>37.4 Support Payroll and Financial Processing (continued)</p>	<p>37.4.1 Meet Detailed Specifications for Payroll and Financial Processing</p> <p>37.4.1 Meet Detailed Specifications for Payroll and Financial Processing (continued)</p>	<p>the data entry process, determine corrections, and enter corrections into the POCMS.</p> <p>The Contractor shall support payroll and financial processing by performing the following activities:</p> <p>37.4.1.1 Set up positive and negative adjustments for retroactive timesheet and payment request changes.</p> <p>37.4.1.2 Initiate retroactive payments, recoveries, and deductions from ongoing payments to offset previous overpayments.</p> <p>37.4.1.3 Compute gross and net wages to employee, including deductions for retroactive recoveries and New Mexico gross receipt taxes.</p> <p>37.4.1.4 Issue checks or direct deposits to employees at least biweekly and to vendors at least weekly.</p> <p>37.4.1.5 Issue checks for retroactive underpayments.</p> <p>37.4.1.6 As directed by the Procuring Agency, block cash transactions and transactions from specified merchant category codes.</p> <p>37.4.1.7 Update the POCMS with payroll and payment information.</p> <p>37.4.1.8 Print and mail participant and vendor payroll/payment reports for any participants and vendors that do not have an email address on file in POCMS.</p> <p>37.4.1.9 Produce all IRS and New Mexico payroll, income tax, and workers compensation forms, reports, and data.</p> <p>37.4.1.10 Produce and mail W-2 and 1099 forms to employees and vendors.</p>

Task Item	Subtasks	Description
<p data-bbox="207 909 391 1272">37.5 New Mexico 1915© Home and Community Based Services Supports Waiver Program</p> <p data-bbox="207 1350 386 1486">37.6 Manage Agreed Payment Schedule</p>	<p data-bbox="427 873 662 1052">37.5.1 – Expansion of New Mexico Supports Waiver program.</p> <p data-bbox="427 1314 654 1560">37.6.1 Invoice the Procuring Agency According to Mi Via Operations Payment Schedule</p>	<p data-bbox="690 289 1503 359">37.4.1.11 Provide routine workers compensation administration as part of payroll processing.</p> <p data-bbox="690 401 1503 537">37.4.1.12 Perform an annual reconciliation and reimbursement process to properly account for FICA, SUTA and FUTA dollars for employees/employers who did not generate sufficient wages within the tax year.</p> <p data-bbox="690 579 1503 793">37.4.1.13 Comply with the requirements of Phase 2 of the HIPAA Operating Rules for Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) [EFT/ERA] transactions by providing the capability for specified providers to receive an ASC X12 835 HIPAA transaction that complies with the requirements of section 1104 of the ACA.</p> <p data-bbox="690 873 1503 1157">37.5.1.1 Procuring Agency/Developmental Disabilities Supports Division (“DDSD”) will release the number of individuals participating in the Supports Waiver program expansion on 7/1/2020. The new individuals participating in the expanded Supports Waiver program will be invoiced per the PMPM schedule itemized in task 37.7. The invoice for the individuals added as part of the expansion will be in addition to the current member PMPM invoice.</p> <p data-bbox="690 1241 1503 1419">Contractor shall be paid a fixed monthly rate per member, per month (PMPM) for Mi Via general administration activities, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p data-bbox="690 1461 1260 1493">37.6.1.1 Jan 1, 2023 – Apr 30, 2024 \$140.55</p> <p data-bbox="690 1535 1503 1713">In addition, Contractor shall be paid a fixed rate per claim for Mi Via claims processing and payment, including the applicable New Mexico Gross Receipts Tax (NM GRT) for the month of claim adjudication, with no retainage, according to the following schedule:</p> <p data-bbox="690 1755 1243 1787">37.6.1.2 Jan 1, 2023 – Apr 30, 2024 \$37.37</p>

Deliverable 38: General Fiscal Agent Services – Ongoing Operations [Monthly Fiscal Operations]

<u>Deliverable Thirty-Eight</u>	<u>Due Date</u>	<u>Compensation</u>
<p>General Fiscal Agent Services – Ongoing Operations</p> <p>[Monthly Fiscal Operations]</p>	<p>Start: 1/01/2023</p> <p>End: 4/30/2024</p>	<p>Total Compensation not to exceed \$5,520,922.15 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$345,057.63 month including NMGRT • for 16 months.

Task Item	Subtasks	Description
<p>38.1 Provide Organizational Support</p>	<p>38.1.1 Create Organizational Structure to Meet Contract Requirements & Service Levels</p>	<p>The Contractor shall implement and maintain an organizational structure with defined staffing and functional areas to meet all contract requirements, to execute all contractual duties, and to maintain responsive service levels.</p>
	<p>38.1.2 Document Organization Chart for the Total MMIS Operation</p>	<p>The Contractor shall provide a detailed organization chart depicting the Contractor's total MMIS operation. No change may be made to the basic organizational structure without the written approval of the Procuring Agency.</p>
	<p>38.1.3 Maintain Staffing Documented in Organization Chart</p>	<p>The personnel proposed and documented in the Contractor's organization charts, as appended to the final Agreement and including numbers and assignments for non-key staff, will be the minimum staffing that the Contractor shall maintain unless the Procuring Agency approves a reduction in writing.</p>
	<p>38.1.4 Ensure Staff Meet the Minimum Qualifications Specified</p>	<p>The Contractor shall fill all staff vacancies with similarly qualified persons and shall maintain sufficient qualified personnel to accomplish the work as defined in this Agreement. The following are minimum qualifications that may be waived on a case by case basis should the Procuring Agency concur that the proposed Contractor personnel are qualified to serve in the designated positions:</p>

Task Item	Subtasks	Description
<p>38.1 Provide Organizational Support (continued)</p>	<p>38.1.4 Ensure Staff Meet the Minimum Qualifications Specified (continued)</p> <p>38.1.5 Obtain Procuring Agency Consent Before Diverting Key Personnel</p> <p>38.1.6 Ensure Employees are Assigned According to the Staffing Plan</p> <p>38.1.7 Provide Additional Staff as Necessary to Perform the Agreed Work</p> <p>38.1.8 Inform the Procuring Agency of All Staff Vacancies</p>	<p>38.1.4.1 The Executive Account Manager will have a minimum of three (3) years of successful experience in comparable or similar positions with the Contractor or other Medicaid fiscal agent accounts within the past seven (7) years. The Executive Account Manager will be dedicated to this project on a full-time basis.</p> <p>38.1.4.2 The Deputy Account Manager will have a minimum of three (3) years of successful experience in comparable or similar positions with the Contractor or other Medicaid fiscal agent accounts within the past seven (7) years. The Deputy Account Manager will be dedicated to this project on a full-time basis.</p> <p>Diversion of Contractor key personnel requires the express written consent of the Procuring Agency.</p> <p>The Contractor warrants and represents that all employees to be assigned to the performance of this Agreement will be assigned in accordance with the staffing plan in the Contractor's proposal.</p> <p>Except where specific staff levels are specified in the contract, the Contractor shall provide additional staff as necessary during the term of the Agreement to perform the work required by the contract.</p> <p>When specific staffing levels are required by the contract, the Contractor will inform the Procuring Agency of any periods of vacancy and will supply the equivalent number of hours with similar personnel.</p> <p>The Contractor shall not use staff dedicated to the New Mexico MMIS to perform other work or give them responsibilities with other contracts that affects their ability to</p>

Task Item	Subtasks	Description
38.1 Provide Organizational Support (continued)	<p>and Supply Equivalent Skills</p> <p>38.1.9 Protect New Mexico MMIS Staff from Distracting Assignments</p> <p>38.1.10 Designate Staff to Remain On-Call at All Times</p>	<p>perform their responsibilities in support of the New Mexico MMIS, unless they are replaced by personnel with similar experience and abilities and approved by the Procuring Agency.</p> <p>The Contractor shall designate a sufficient number of on-call staff members so that a contact is always available twenty-four (24) hours per day, seven (7) days per week to handle any production problems or other emergency situations.</p> <p>Performance by the Contractor will not be contingent upon time availability of Procuring Agency personnel or resources with the exception of specific responsibilities stated in this Agreement.</p>
38.2 Provide Infrastructure Support	<p>38.1.11 Ensure Performance of this Contract's Requirements Does Not Require Procuring Agency Personnel</p> <p>38.2.1 Meet Agreed Requirements for Geographical Locations of Staff & Functions</p>	<p>38.2.1.1 For the operational phase, the Contractor shall have a physical site located within 75 miles of Santa Fe, New Mexico. At a minimum, staff in this location shall include the New Mexico executive account manager, and deputy account manager and staff supporting claim receipt and scanning, online data entry, resolution of suspended claims, files maintenance, TPL support, and operational and non-pharmacy customer service functions.</p> <p>38.2.1.2 The following functions may be located in any location within the United States during the transition and operational phases: Optical character recognition scanning; claim capture and correction; Pharmacy Benefits Management System (PBMS) help desk services; drug rebate management and dispute resolution; the MMIS System Maintenance Unit; MMIS technical system platform support; and any subcontracted work.</p> <p>38.2.1.3 All work under this contract must be performed in the contiguous United States, Hawaii, or Alaska. No work under this contract may be performed by offshore resources, or by any resource in US territories outside of the continental United States, without the written consent of the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>38.2 Provide Infrastructure Support (continued)</p>	<p>38.2.2 Provide Management and Oversight at Each MMIS Location</p> <p>38.2.3 Provide All MMIS Infrastructure, Forms & Documents</p> <p>38.2.4 Provide Offices for Staff at the Claims Processing Facility</p> <p>38.2.5 Supply All Forms, Paper and Envelopes Other Than Those Few Provided by the Procuring Agency</p>	<p>The Contractor shall provide appropriate management and oversight at each location and support good communication structures between the various offices and the Procuring Agency.</p> <p>The Contractor shall provide all office space, equipment, hardware, software, forms, and documents necessary to operate, maintain, and enhance the MMIS and to carry out all MMIS functions.</p> <p>The Contractor shall provide working office space in their claim processing facility for a minimum of two (2) Procuring Agency staff members, including desks, chairs, and personal computers with access to e-mail and the MMIS.</p> <p>For forms and supplies, the Procuring Agency shall reimburse the Contractor for claim forms, forms used by Providers as attachments to claims, 1099 forms, provider enrollment applications, all notification letters, Medicaid ID cards, program policy manuals and billing instructions and envelopes used for mailing to providers and clients. All internal form and other supplies used by the Contractor are the financial responsibility of the Contractor. The Contractor should provide electronic media where possible to reduce pass-through cost.</p> <p>The Contractor shall provide a courier service for picking up documents and distributing documents between their New Mexico offices and the Procuring Agency, other state agencies, and Procuring Agency's Contractors relevant to MMIS functions.</p> <p>38.2.6.1 At least three weekly courier runs must be provided, on Monday, Wednesday and Friday excluding holidays and closures.</p> <p>38.2.6.2 In addition to the regular schedule, the Contractor shall provide for special courier runs when requested by the Procuring Agency due to an urgent need.</p>

Task Item	Subtasks	Description
<p>38.3 Provide Training and Quality Management</p>	<p>38.2.6 Meet Specifications for Courier Services</p>	<p>38.2.6.3 The Contractor shall document the delivery of reports and other data and track the status of deliveries.</p> <p>The Contractor shall provide for daily overnight delivery of documents between their New Mexico and out of state offices as required for timely communications and delivery of documents.</p> <p>38.3.1.1 The Contractor shall schedule for ongoing training of Procuring Agency and Contractor personnel in the use of the MMIS. Computer-based training may be used to supplement classroom training when approved by the Procuring Agency.</p> <p>38.3.1.2 A two-tiered approach to training will be employed to include general initial orientation and advanced training.</p>
	<p>38.2.7 Provide Overnight Delivery of Documents When Required</p>	<p>The Contractor shall provide training to Contractor management personnel enabling them to understand the MMIS Contract requirements.</p> <p>The Contractor shall provide a training environment that aligns with the production environment.</p>
	<p>38.3.1 Provide Ongoing Training and Quality Management</p>	<p>The Contractor shall provide initial and ongoing training to all Procuring Agency staff and other agents of the Procuring Agency (e.g., utilization review Contractor staff) that access and use the New Mexico MMIS. Training classes to be scheduled and offered quarterly as agreed to by the Procuring Agency and Contractor</p>
	<p>38.3.2 Provide MMIS Contract Training to Contractor's Managers</p>	<p>The Contractor shall maintain the User Manuals for all aspects of the system. These manuals will provide correct information in sufficient detail and user-friendly language, so that users may accomplish their everyday functions using the MMIS.</p> <p>The Contractor shall maintain all training curriculum and supplemental materials.</p>
	<p>38.3.3 Provide Initial and Ongoing Training to Procuring Agency Staff & Their Agents</p>	<p>38.3.5.1 The Contractor shall operate a formal quality management program, as approved by the Procuring Agency, with monthly periodic reports to the Procuring Agency.</p>

Task Item	Subtasks	Description
<p>38.4 Coordinate with Procuring Agency Staff and Program Stakeholders</p>	<p>38.3.4 Maintain User Manuals for All Aspects of the MMIS</p> <p>38.3.5 Operate a Formal Quality Management Program Approved by the Procuring Agency</p> <p>38.4.1 Document All Instructions from the Procuring Agency in a Written Audit Trail</p> <p>38.4.2 Provide Appropriate Representatives to MMIS Planning Meetings</p> <p>38.4.3 Gather & Analyze MMIS Requirements from Other State Agencies</p>	<p>38.3.5.2 The Contractor shall meet with the Procuring Agency on a periodic basis to identify key areas to be addressed by the quality management program.</p> <p>Ensure that all instructions used by the Contractor regarding claim resolution, payment levels and methodologies, system changes, changes to reports, and changes to a provider's status are in writing from an authorized Procuring Agency source and maintained by the Contractor for audit trail purposes.</p> <p>At the Procuring Agency's request, the Contractor shall provide appropriate representation to participate in planning tasks, in meetings, and on task forces for projects that affect the MMIS, interface with the MMIS, or otherwise require coordination with the Contractor.</p> <p>At the Procuring Agency's request, the Contractor shall conduct requirement gathering tasks and requirement analysis tasks with other state agencies to prepare the MMIS for other state agency use.</p> <p>The Contractor shall keep the Procuring Agency informed of cost containment activities, service delivery models, and decision support and data access structures and processes that are effective in other state accounts operated by the Contractor.</p> <p>The Contractor shall provide support for hearings, legal cases, audit, inquiries, and other studies as required, including testifying, attending meetings or other scheduled events, responding to subpoenas as directed by the Procuring Agency, and providing other documentation as required.</p> <p>The State of New Mexico, the State Auditor, the U.S. Procuring Agency of Health and Human Services, the U.S. Comptroller General, the U.S. General Accounting Office, or their authorized representatives will, at all reasonable times, have the right to enter the Contractor's premises or such other</p>

Task Item	Subtasks	Description
<p>38.4 Coordinate with Procuring Agency Staff and Program Stakeholders (continued)</p>	<p>38.4.4 Keep the Procuring Agency Informed of Contractor Operations for Other State Agencies</p> <p>38.4.5 Support All Legal Inquiries & Events as Directed</p> <p>38.4.6 Provide Reasonable Access for Procuring Agency & Federal Staff to Inspect Any MMIS Work Facility</p> <p>38.4.7 Develop a Cost Allocation Plan for Non-Medicaid Use of MMIS</p> <p>38.4.8 Meet Detailed Specifications for Processing Claims for Other State Agencies</p>	<p>places where duties under this Agreement are being performed to inspect, monitor, or otherwise evaluate (including periodic systems testing) the work being performed. The Contractor shall provide reasonable access to all facilities and assistance to the Procuring Agency and federal representatives. The Contractor shall allocate costs for non-Medicaid use of the MMIS according to a Cost Allocation Plan, developed by the Contractor and approved by the Procuring Agency.</p> <p>The Contractor shall support processing claims for other state agencies by:</p> <p>38.4.8.1 Making MMIS system modifications to accommodate appropriate payment methodologies and enforce program rules and policies.</p> <p>38.4.8.2 Accommodating needs for data and statistics for the other state agencies.</p> <p>38.4.8.3 Assuring Contractor staff and managers are trained regarding the specialized non-Medicaid programs to ensure a high quality of service in all areas of the operation.</p> <p>The Contractor shall negotiate in good faith and supply supporting documentation to determine rates and other costs for processing claims and providing other supporting activities when significant program expansions are implemented that significantly expand Contractor responsibilities.</p> <p>The Contractor shall receive, respond to, and resolve requests from providers, clients, the Third-Party Assessor (TPA), other Medicaid Contractors, state agencies, and Procuring Agency staff for information concerning billing, claims status, and other Contractor activities. These inquiries may be verbal or in writing. The demands utilizing this function may vary greatly from time to time due to variations in Contractor performance and changes in policies, procedures, or other Medicaid Program requirements.</p>

Task Item	Subtasks	Description
38.5 Conduct Special Mail-Outs	<p>38.4.9 Negotiate in Good Faith and Supply Supporting Documentation</p> <p>38.4.10 Resolve Requests from Providers, Clients, TPA and Others</p>	<p>The Contractor shall develop and maintain information exchange and sharing methods that will enable the Contractor to work closely with providers, other Medicaid Contractors, and Procuring Agency staff. There must be a continual effort to reduce paper and increase electronic information capabilities with everyone served.</p> <p>The Contractor shall be responsible for all special client and provider mail-outs requested by the Procuring Agency. The Contractor shall produce the quantity of notices applicable for each requested mail-out and ensure that mailings are completed within timeframes designated by the Procuring Agency.</p> <p>The Contractor must use the lowest-bidding Sub-Contractor to perform these printings and mailings consistent with maintaining necessary quality and technology standards. The Contractor may pass through the invoice costs from the Sub-Contractor to the Procuring Agency.</p>
38.6 Perform Annual SOC 1 Audit	38.4.11 Develop & Maintain Electronic Information Sharing Methods 38.5.1 Deliver Special Client and Provider Notices by Paper Mail When Requested by the Procuring Agency	<p>The Contractor shall assume financial and legal responsibility for all mail-out errors that are not the result of a Procuring Agency directive.</p> <p>Perform, through an independent Contractor, an in-depth electronic data processing (EDP) audit of internal controls in accordance with the Auditing Standards Board's "Statements on Standards for Attestation Engagements No. " (SOC 1) and provide the Procuring Agency with a formal written report of this audit. This report shall be provided not later than August 15th following each state fiscal year, or partial state fiscal year, that the Agreement is in effect, and shall cover the previous state fiscal year. If the Agreement expires or is terminated prior to the August 15th deadline in a year in which a submission of a Service Audit Report is required, the Contractor's obligation to submit such report to the Procuring Agency shall survive the expiration or termination of the Agreement.</p>

Task Item	Subtasks	Description
38.6 Perform Annual SOC 1 Audit (continued)	38.5.2 Use the Lowest-Bidding Sub-Contractor Who Meets Mail-Out Requirements	<p>The Contractor shall report to the Procuring Agency any restrictions or limitations on the scope of the audit varying from the Statements on Standards for Attestation Engagements No. 18 prior to completing the audit, for approval or disapproval by the Procuring Agency.</p>
	38.5.3 Assume Responsibility for Mail-Out Errors	<p>The EDP auditor shall be an independent auditing firm other than the CPA firm engaged as the Contractor's corporate auditor.</p>
	38.6.1 Complete an Annual, Independent EDP Audit before Each August 15th that Meets the Specifications of SOC 1.	<p>The selection of and contract with the EDP auditor shall be subject to the approval of the Procuring Agency.</p> <p>The Contractor shall require the EDP auditor to submit a draft report of its initial audit findings to the Procuring Agency prior to receiving any comments and input from the Contractor.</p>
	38.6.2 Report Any Variances from SOC 1 to the Procuring Agency Before the Audit	<p>The Contractor shall require the EDP auditor to submit a final report of its findings to the Procuring Agency following comments and input from the Contractor. The Procuring Agency shall have the right to provide copies of the final report to the Procuring Agency's external and internal auditors.</p>
38.6.3 Ensure SSAE 16 Auditor is Independent of Contractor's Corporate CPA	<p>The Contractor shall include with the report a corrective action plan detailing any deficiencies identified in the report and target dates for correction. The Procuring Agency will assess and respond to the acceptability of the correction plan.</p>	

Task Item	Subtasks	Description
<p>38.7 Perform Annual SOC2 Audit</p>	<p>38.6.4 Obtain Procuring Agency Approval of Auditor Selected</p> <p>38.6.5 Require Auditor to Report Initial Findings to Procuring Agency Before Reporting to Contractor</p> <p>38.6.6 Require Auditor to Submit Final Report to Procuring Agency, with Rights to Distribute it to Other Auditors</p> <p>38.6.7 Deliver a Corrective Action Plan for Any Deficiencies Identified in Auditor's Final Report & Obtain Procuring Agency Approval</p>	<p>The Contractor will provide a SOC 2 (System and Organization Controls) Type II Examination Report (SOC 2 Report) covering the controls specific to the Services provided to the Contract Administrator and relevant to the Trust Services Principles of Security, for the procuring agency.</p> <p>38.7.1.1 The Contractor shall provide Procuring Agency with a copy of the SOC 2 Report as soon as reasonably possible after the conclusion of such examination, but no later than August 15th, each year following the state fiscal year or partial state fiscal year, that the agreement is in effect and shall cover the previous twelve-month period ending June 30th. If the Agree expires or is terminated prior to the August 15th deadline in a year in which submission of a Service Audit Report and correction plan is due to Procuring Agency, the Contractor's obligation to submit such report and plan to the Procuring Agency shall survive the expiration or termination of the Agreement.</p>
<p>38.8 Manage Agreed Payment Schedule</p>	<p>38.7.1 Complete an Annual Independent audit August</p>	<p>Contractor shall be paid a fixed monthly rate for delivering these operations, including the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>38.8.1.1 Jan 1, 2023 – Apr 30, 2024 \$345,057.63</p>

Task Item	Subtasks	Description
	15th each year, that meets the Specifications of SOC 2 in the Security Category 38.8.1 Invoice the Procuring Agency According to the Operations Payment Schedule	

Deliverable 39: Turnover at End of Contract

<u>Deliverable Thirty-Nine</u>		<u>Due Date</u>	<u>Compensation</u>
Turnover at End of Contract		As Requested by The Procuring Agent	No Compensation
Task Item	Subtasks	Description	
39.1 Develop and Maintain Turnover Plan	39.1.1 Provide Turnover Plan per Agreed Schedule 39.1.2 Meet Detailed Specifications for Turnover Plan	<p>Within sixty (60) days of receipt of notification of intent to transfer or replace any segment of MMIS components (in any event, no later than twenty-four (24) months prior to the end of the Contract, including extensions), the Contractor shall provide a Turnover Plan to the Procuring Agency. Such Plan, and all subsequent activities related to Turnover, shall apply to Contractor and all its Sub-Contractors.</p> <p>The Turnover Plan will include, at a minimum, Contractor's:</p> <p>39.1.2.1 Proposed approach to Turnover.</p> <p>39.1.2.2 Tasks and sub-tasks for Turnover.</p> <p>39.1.2.3 Schedule for Turnover.</p> <p>39.1.2.4 Production program and documentation update and sign-off procedures during Turnover, attestation of manuals and training documents being up to date, and Contractor's plan for notification of Turnover to submitters.</p> <p>39.1.2.5 A statement of the resources that will be required by the Procuring Agency or its Contractors to take over the operational responsibilities of the MMIS.</p> <p>39.1.2.6 Estimates of the number and type of personnel required to operate the equipment and the system, and to perform the other functions of the MMIS. The statement will be separated by type of activity including, at a minimum, the staff categories defined by the Procuring Agency.</p> <p>39.1.2.7 A statement of the number, type, and all costs associated with all Contractor personnel that will be available for operations as well as the additional Contractor staff needed for turnover activities</p>	

Task Item	Subtasks	Description
<p>39.1 Develop and Maintain Turnover Plan (continued)</p> <p>39.2 Provide Turnover Support for Specified System Processes</p>	<p>39.1.2 Meet Detailed Specifications for Turnover Plan (continued)</p>	<p>39.1.2.8 A Statement of Resource Requirements that clearly describes all facilities and other resources required to operate any component of the MMIS, including data processing hardware/equipment, system and special software, other equipment, telecommunications circuits, office space, volumetric data, and any other requirements to estimate levels of effort or system specifications. The Statement of Resource Requirements will be based on the Contractor's experience in the operation of the MMIS and will reflect actual Contractor resources devoted to the operation of the system. The Contractor shall also provide a detailed organization chart depicting the Contractor's total MMIS operation.</p>
	<p>39.2.1 Turn Over Items Specified, According to the Procuring Agency's Directions and Schedule</p>	<p>Upon the Procuring Agency's initiation of turnover activities of Omnicaid, PDCS, Rebate, FADS, CDSS, or Self-Directed Care/Mi-Via, whether to the Procuring Agency or a successor Contractor, the Contractor shall turn over the following as directed and scheduled by the Procuring Agency:</p> <p>39.2.1.1 All non-proprietary computer source code on magnetic tapes or electronic media such as COLD or CD as directed by the Procuring Agency.</p> <p>39.2.1.2 All necessary non-proprietary data and non-proprietary reference files in a format directed by the Procuring Agency.</p> <p>39.2.1.3 All JCL and other utilities required to operate the Omnicaid, PDCS, Rebate, FADS, CDSS, or Self-Directed Care/Mi-Via, including transferring software licenses.</p> <p>39.2.1.4 All records of claims, providers, encounters, etc., created during the full term of the contract.</p> <p>39.2.1.5 Required documentation including, at a minimum, the non-proprietary system documentation, non-proprietary user and non-proprietary operation manuals that are currently used to operate and/or maintain Omnicaid, PDCS, Rebate, FADS, CDSS, or Self-Directed Care/Mi-Via, including non-proprietary training manuals and non-proprietary Companion Guides.</p>

Task Item	Subtasks	Description
<p>39.2 Provide Turnover Support (continued)</p>	<p>39.2.3 Provide the Specified Turnover Results Report to the Procuring Agency</p> <p>39.2.4 Ensure Contractor's MMIS Staff are Free to Accept New Employment with Successor MMIS Operator</p> <p>39.2.5 Ensure MMIS Operations, Reporting and Deliverables Up to the Last Day of Contract Expiration</p>	<p>Following the turnover of operations, provide the Procuring Agency with a Turnover Results Report that will document completion and results of each step of the Turnover Plan.</p> <p>The Contractor may not prohibit any staff or management working for the MMIS from choosing to accept a position with a successor MMIS Contractor or the State of New Mexico.</p> <p>The Contractor shall be responsible for the completion of all operational activities, reporting, and deliverables. These activities include but are not limited to payment issuance; mailing of warrants; remittance advices and notices; update of MMIS to reflect cycle activity; transfer of files; turnover of all in process documents; daily, weekly, monthly, and quarterly reporting; and satisfying all terms of the Procuring Agency approved turnover plan. Contractor shall take all necessary steps to ensure that all pended provider applications are closed by the turnover date, as determined and agreed to by Procuring Agency and Contractor, that all suspended claims are worked by the turnover date and that its 1099 file reflects all payments for the calendar year.</p> <p>Following the turnover of operations, the Contractor shall supply corrections of data errors caused by incomplete or erroneous transfer at turnover, as determined by the Procuring Agency, at no additional cost to the Procuring Agency.</p>
<p>39.3 Provide Post-Turnover Support</p>	<p>39.3.1 Correct Data Errors Made During</p>	<p>Notwithstanding the terms of this deliverable, at the conclusion of the turnover period and at the option of the Procuring Agency, the Contractor may be asked to continue, at a compensation level agreed to between the Procuring Agency and the Contractor, support for some for Omnicaid, PDCS, Rebate, FADS, CDSS, or Self-Directed Care/Mi-Via operations should the successor Contractor fail to satisfactorily implement or perform those operations.</p>

Task Item	Subtasks	Description
<p>39.4 Support Data Conversion Prior to Turnover</p>	<p>Turnover at No Additional Cost</p> <p>39.3.2 Negotiate Compensation Levels for Any MMIS Support Requested After Turnover is Complete</p> <p>39.4.1 Run Automated Scripts</p> <p>39.4.2 Turnover and Transition Process</p> <p>39.4.3 Support Data Conversion Testing</p>	<p>Contractor shall suggest areas and methods for automated clean up and at Procuring Agency’s request, run scripts to clean up data in an automated fashion. Data clean-up will be performed through the current numbered memo process for maintenance of the system</p> <p>The Contractor shall support turnover and transition process through Dec 31st, 2022 as necessary to include decommission of equipment and other systems.</p> <p>Contractor will utilize existing legacy Omnicaid system maintenance staff to support new vendor testing with the Procuring Agent and its designated agents, review results, re-test (multiple times) and re-validate for up to six (6) months of iterations. Contractor shall have a dedicated test environment (and staff) in which to produce extracts, scripts for cleansing data, for report production, reviewing test results, and performing multiple iterations of review and testing. Contractor shall recommend refinements to the testing as it deems appropriate. No new hardware or software will be purchased for this purpose.</p> <p>39.4.3.1 The downloaded data will be supplied at a frequency requested by the Procuring Agency or vendor for a period limited to 8 months; after which charges will apply based on CPU costs.</p> <p>39.4.3.2 If more staff are necessary to support the Data Conversion Testing, the procuring agent will utilize Deliverable Twenty-four (24) for supplemental support staffing.</p> <p>39.4.3.3 The Omnicaid, PDCS, Rebate, FADS, CDSS, or Self-Directed Care/Mi-Via data conversion will be organized, managed and led by the Procuring Agency or the vendor receiving the data.</p> <p>Contractor will use existing Omnicaid legacy system maintenance staff to perform parallel testing with each of the Procuring Agency’s new vendor(s) for up to six (6) months prior to and three (3) months after Turnover if requested by the Procuring Agency. The Parallel Testing will be organized,</p>

Task Item	Subtasks	Description
<p>39.4 Support Data Conversion Prior to Turnover (continued)</p> <p>39.5 Manage Turnover Work per Compensation Agreement</p> <p>39.6 Deliver and Review Documents</p> <p>39.7 DoIT Formal</p>	<p>39.4.4 Parallel Testing</p> <p>39.4.5 Provide Data Cleansing Reports</p> <p>39.5.1 Acknowledge There is No Compensation for Deliverable 25</p> <p>39.6.1 Deliver and Review Documents to Procuring Agency</p> <p>39.6.2 Deliver and Review</p>	<p>managed and led by the Procuring Agency or the vendor receiving the data.</p> <p>Contractor will use existing Omnicaid maintenance staff to produce reports of data that could not be cleansed with automated processing. Such reports shall be provided to Procuring Agency for manual clean up in the system prior to next test run.</p> <p>Contractor shall meet all specifications for Deliverable 25 with no compensation from Procuring Agency for this work as long as not additional staff, hardware or software are required beyond what is currently utilized in the current contract.</p> <p>Contractor shall: provide the following documents to Procuring Agency by email at least 10 business days prior to Contractor presenting the information to Procuring Agency Project Manager:</p> <ul style="list-style-type: none"> • Proposed approach to Turnover. • Tasks and sub-tasks for Turnover. • Schedule for Turnover <p>Procuring Agency shall review the documentation presented by the Contractor within five business after the Contractor formally presents the documentation to Procuring Agency. This includes Procuring Agency contacting and submitting any proposed changes or additional requests for clarification to the Contractor.</p> <p>Contractor shall formally present the final documents to include any approved revision listed in Subtask “Deliver and Review Documents”.</p> <p>Procuring Agency Shall: Review and approve the final documents</p>

Deliverable 40: Certification of Electronic Visit Verification (EVV) Centers for Medicare and Medicaid Services (CMS)

<u>Deliverable Forty</u>	<u>Due Date</u>	<u>Compensation</u>
EVV- CMS Certification Reporting	Start: 1/01/2023 End: 4/30/2024	Total Compensation not to exceed \$364,594.40 including NM GRT, to be paid monthly at an approximate rate of: <ul style="list-style-type: none"> • \$22,787.15 month including NMGRT • for 16 months.

Task Item	Sub Tasks	Description
40. EVV Certification	40.1 CMS Certification	<p>The Contractor shall collaborate with Procuring Agency through the CMS EVV certification process as follows:</p> <ul style="list-style-type: none"> • Provide an EVV component that meets the applicable CMS certification requirements and complies with the applicable CMS EVV Guidance and 21st Century Cures Act requirements. • Comply with applicable CMS EVV outcomes statements, evaluation criteria and KPI's for EVV ; • Provide the necessary data, artifacts and evidence for CMS Operational Readiness Review (ORR) and Certification Review (CR) as defined in the EVV CMS Guidance; • Work with Procuring Agency to review the data, artifacts and evidence and update the documentation if needed; • As part of weekly and monthly status report, provide update on EVV Certification activities; and • Resolve issues that prevent the Procuring Agency from receiving certification based upon EVV components of the FS Module. • Provide KPI metrics back to the implementation date of 1/1/21 as part of documentation to CMS. <p>The Contractor is responsible for the following Certification Activities during the Operational Readiness Review (ORR)/Certification Reviews (CR):</p> <ul style="list-style-type: none"> • Coordinate, participate, and prepare for EVV Certification activities and provide necessary artifacts. • Prior to the ORR/CR, Contractor must provide all the

Task Item	Sub Tasks	Description
<p>40.2 Ongoing Operations</p>	<p>40.2.1 Follow CMS KPI Reporting Schedule</p> <p>40.2.3 Prepare quarterly updates</p> <p>40.2.3 Support continued compliance</p>	<p>evidence required on the intake form and prepare responses to answer any questions from CMS;</p> <ul style="list-style-type: none"> • For the ORR/CR, conduct the demo, participate in and contribute to the review; • Prior to the ORR/CR, the Contractor must submit the KPI report after go live quarterly at a minimum; • Prior to the ORR/CR, the Contractor must submit the KPI report and underlying data to the Procuring Agency for approval to send to CMS back to the implementation date of 1/1/21; • For the ORR/CR, the Contractor must provide evidence for the 6 data elements required by the Cures Act during the 6 months of go live prior to the review; and • For the ORR/CR, demonstrate the evaluation criteria in the production environment and performance against KPIs, including calculation of each of the KPIs; • The Contractor will need to provide evidence in its data repository for the EVV evaluation criteria and grant access to CMS as well as report against the KPIs. <p>Respond to questions from the Procuring Agency or CMS and MITRE for EVV; and Provide follow up documentation for action items from CMS and MITRE for the Procuring Agency to receive final certification.</p> <p>40.2.1 During M&O the contractor must follow the CMS KPI Reporting Schedule to submit KPI reports to the State for approval to send to CMS.</p> <p>40.2.2 Prepare the annual KPI for privacy and security and review, including:</p> <ul style="list-style-type: none"> • Submission of a 508-test report for compliance with the Americans with Disabilities Act <p>40.2.3 Prepare quarterly updates and report out on the Plan of Action and Milestones (POA&M), for deficiencies remediation identified in the three independent audits.</p>

Task Item	Sub Tasks	Description
40.3 Managed Agreed Payment Schedule	and consultation with CMS 40.3.1 Invoice the Procuring Agency according to the Subtask Payment schedule	<p>40.2.4 Support of a CMS Certification SME for review continued through 12/31/22 compliance and consultation discussions with CMS.</p> <p>40.3.1 The CONTRACTOR shall invoice the Procuring Agency and the Procuring Agency shall pay Contractor for the following percentages of Deliverable 40 compensation plus estimated NMGRT, with no retainage, upon the following events:</p> <p>40.3.2 Jan 1, 2023 – Apr 30, 2024 \$22,787.15</p>

Deliverable 41: CDSS – Operations and Maintenance [Monthly System Operations]

<u>Deliverable Forty-one</u>	<u>Due Date</u>	<u>Compensation</u>
<p align="center">CDSS – Operation and Maintenance</p> <p align="center">[Monthly System Operations]</p>	<p align="center">Start: 1/1/ 2023</p> <p align="center">End: 4/30/2024</p>	<p>Total Compensation not to exceed, \$1,361,470.53 including NM GRT, to be paid monthly at an approximate rate of:</p> <ul style="list-style-type: none"> • \$85,091.91 month including NMGRT • for 16 months

Task Item	Subtasks	Description	
41.1 Operate the CDSS	41.1.1 Host the CDSS	The Contractor shall host the CDSS at its facility on hardware it provides and maintains.	
	41.1.2 Operate and Maintain the CDSS	The Contractor shall operate the CDSS and update ETL processes as required by changes in MMIS table structures.	
	41.1.3 Meet Required Service Levels	26.1.3.1	The CDSS shall be available at least 99.9% of the time effective on the first day of the fourth month following implementation, excluding scheduled downtime.
		26.1.3.2	The Contractor shall request scheduled downtime at least 72 hours in advance of the outage.
		26.1.3.3	The Contractor shall provide quarterly performance reports.
26.1.3.4		The Contractor shall provide telephone support on Procuring Agency business days from 8 a.m. to 5 p.m. Mountain Time, and email support at all other times.	
41.1.4 Provide Access to Procuring Agency Users	The Contractor shall provide access to up to 200 users, as designated by the Procuring Agency.		
41.1.5 Support Required Reporting	The Contractor shall support the Procuring Agency’s CMS Adult Quality Grant reporting and Quality Improvement Project requirements through the provision of standardized analytical processes, data extracts and reporting tools.		

Task Item	Subtasks	Description
<p>41.2 Enhance the CDSS</p> <p>41.3 Turnover Support for CDSS</p> <p>41.4 Manage Agreed Payment Schedule</p>	<p>41.2.1 Define Desired Capabilities</p> <p>41.2.2 Incorporate-ate and Deploy Defined Enhancement</p> <p>41.3.1 Receive Notice from Procuring Agency</p> <p>41.3.2 Provide Turnover Support</p> <p>41.4.1 Invoice the Procuring Agency According to the Operations Payment Schedule</p>	<p>Following the initial deployment of the CDSS, the Contractor shall work with the Procuring Agency to define enhanced features to meet Adult Quality Grant objectives and Procuring Agency priorities</p> <p>The Contractor shall enhance the CDSS as defined by the Procuring Agency and deploy version 2.0 of the system.</p> <p>Within thirty (30) days of receipt of notification of the Procuring Agency's intent to assume responsibility for the CDSS function, the Contractor shall:</p> <p>26.3.2.1 Enter into a mutually acceptable licensing agreement with the Procuring Agency.</p> <p>26.3.2.2 Provide estimates of the staffing and hardware resources required to maintain the application under Procuring Agency staff operation.</p> <p>26.3.2.3 Provide all necessary application documentation to facilitate the transition to state staff operation.</p> <p>Contractor shall be paid a fixed monthly rate for delivering these operations, plus the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>26.4.1.2 January 1, 2023 - April 30, 2024: \$ 85,091.91</p>

Exhibit B
HIPAA Business Associate Agreement

This Business Associate Agreement (“BAA”) is entered into between the **New Mexico Human Services Department** (“Department”) and **Conduent State Healthcare, LLC.**, hereinafter referred to as “Business Associate”, in order to comply with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) as amended by Health Information Technology for Economic and Clinical Health Act of 2009 (the “HITECH Act”), including the Standards of the Privacy of Individually Identifiable Health Information and the Security Standards at 45 CFR Parts 160 and 164.

BUSINESS ASSOCIATE, by this PSC 23-630-4000-0002 has agreed to provide services to, or on behalf of, the Department which may involve the disclosure by the Department to the Business Associate (referred to in PSC 23-630-4000-0002 as “Contractor”) of Protected Health Information. This Business Associate Agreement is intended to supplement the obligations of the Department and the Contractor as set forth in PSC 23-630-4000-0002 and is hereby incorporated therein.

THE PARTIES acknowledge HIPAA, as amended by the HITECH Act, requires that Department and Business Associate enter into a written agreement that provides for the safeguarding and protection of all Protected Health Information which Department may disclose to the Business Associate, or which may be created or received by the Business Associate on behalf of the Department.

1. Definition of Terms

- a. **Breach.** “Breach” has the meaning assigned to the term breach under 42 U.S.C. § 17921(1) [HITECH Act § 13400 (1)] and 45 CFR § 164.402.
- b. **Business Associate.** “Business Associate”, herein being the same entity as the Contractor in the same or Related Agreement, shall have the same meaning as defined under the HIPAA standards as defined below, including without limitation Contractor acting in the capacity of a Business Associate as defined in 45 CFR § 160.103.
- c. **Department.** “Department” shall mean in this agreement the State of New Mexico Human Services Department.
- d. **Individual.** “Individual” shall have the same meaning as in 45 CFR §160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502 (g).
- e. **HIPAA Standards.** “HIPAA Standards” shall mean the legal requirements as set forth in the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act of 2009, and the regulations and policy guidance, as each may be amended over time, including without limitation:
 - i. **Privacy Rule.** “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information in 45 CFR Part 160 and Part 164, Subparts A and E.

- ii. Breach Notification Rule. “Breach Notification” shall mean the Notification in the case of Breach of Unsecured Protected Health Information, 45 CFR Part 164, Subparts A and D
- iii. Security Rule. “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 160 and 164, Subparts A and C, including the following:
 - f. Security Standards. “Security Standards” hereinafter shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR §164.306.
 - g. Administrative Safeguards. “Administrative Safeguards” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR §164.308.
 - h. Physical Safeguards. “Physical Safeguards” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR §164.310.
 - i. Technical Safeguards. “Technical Safeguards” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR §164.312.
 - j. Policies and Procedures and Documentation Requirements. “Policies and Procedures and Documentation Requirements” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR §164.316.
 - k. Protected Health Information. "Protected Health Information" or “PHI” shall have the same meaning as in 45 CFR §160.103, limited to the information created, maintained, transmitted, or received by Business Associate, its agents, or subcontractors from or on behalf of Department.
 - l. Required by Law. "Required by Law" shall have the same meaning as in 45 CFR §164.103.
 - m. Secretary. "Secretary" shall mean the Secretary of the U. S. Department of Health and Human Services, or his or her designee.
 - n. Covered Entity. "Covered Entity " shall have the meaning as the term “covered entity” defined at 45 CFR §160.103, and in reference to the party to this BAA, shall mean the State of New Mexico Human Services Department.

Terms used, but not otherwise defined, in this BAA shall have the same meaning as those terms in the HIPAA Standards. All terms used and all statutory and regulatory references shall be as currently in effect or as subsequently amended.

2. Obligations and Activities of Business Associate

- a. General Rule of PHI Use and Disclosure. The Business Associate may use or disclose PHI it creates for, receives from or on behalf of, the Department to perform functions, activities or services for, or on behalf of, the Department in accordance with the specifications set forth in this BAA and in this PSC 23-630-4000-0002; provided that such use or disclosure would not violate the HIPAA Standards if done by the Department; or as Required By Law.
 - i. Any disclosures made by the Business Associate of PHI must be made in accordance with HIPAA Standards and other applicable laws.

- ii. Notwithstanding any other provision herein to the contrary, the Business Associate shall limit uses and disclosures of PHI to the “minimum necessary,” as set forth in the HIPAA Standards.
- iii. The Business Associate agrees to use or disclose only a “limited data set” of PHI as defined in the HIPAA Standards while conducting the authorized activities herein and as delineated in PSC 23-630-4000-0002, except where a “limited data set” is not practicable in order to accomplish those activities.
- iv. Except as otherwise limited by this BAA or PSC 23-630-4000-0002, 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.
- v. Except as otherwise limited by this BAA or PSC 23-630-4000-0002, Business Associate may disclose PHI for the proper management and administration of the Business Associate provided that the disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- vi. Business Associate may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 CFR § 164.502(j).
- vii. Business Associate may use PHI to provide Data Aggregation services to the Department as permitted by the HIPAA Standards.
- b. Safeguards. The Business Associate agrees to implement and use appropriate Security, Administrative, Physical and Technical Safeguards, and comply where applicable with subpart C of 45 C.F.R. Part 164, to prevent use or disclosure of PHI other than as required by law or as provided for by this BAA or PSC 23-630-4000-0002. Business Associate shall identify in writing upon request from the Department all of those Safeguards that it uses to prevent impermissible uses or disclosures of PHI.
- c. Restricted Uses and Disclosures. The Business Associate shall not use or further disclose PHI other than as permitted or required by this BAA or PSC 23-630-4000-0002, the HIPAA Standards, or otherwise as permitted or required by law. The Business Associate shall not disclose PHI in a manner that would violate any restriction which has been communicated to the Business Associate.
 - i) The Business Associate shall not directly or indirectly receive remuneration in exchange for any of the PHI unless a valid authorization has been provided to the Business Associate that includes a specification of whether the PHI can be further exchanged for remuneration by the entity receiving the PHI of that individual, except as provided for under the exceptions listed in 45 C.F.R. §164.502 (a)(5)(ii)(B)(2).
 - ii) Unless approved by the Department, Business Associate shall not directly or indirectly perform marketing to individuals using PHI.
- d. Agents. The Business Associate shall ensure that any agents that create, receive, maintain or transmit PHI on behalf of Business Associate, agree in writing to the same restrictions and conditions that apply to the Business Associate with respect to PHI, in accordance with

45 C.F.R. § 164.502(e)(1)(ii), and shall make that agreement available to the Department upon request. Upon the Business Associate's contracting with an agent for the sharing of PHI, the Business Associate shall provide the Department written notice of any such executed agreement.

- e. Availability of Information to Individuals and the Department. Business Associate shall provide, at the Department's request, and in a reasonable time and manner, access to PHI in a Designated Record Set (including an electronic version if required) to the Department or, as directed by the Department, to an Individual in order to meet the requirements under 45 CFR § 164.524. Within three (3) business days, Business Associate shall forward to the Department for handling any request for access to PHI that Business Associate receives directly from an Individual. If requested by the Department, the Business Associate shall make such information available in electronic format as required by the HIPAA Standards to a requestor of such information and shall confirm to the Department in writing that the request has been fulfilled.
- f. Amendment of PHI. In accordance with 45 CFR § 164.526, Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that the Department directs or agrees to, at the request of the Department or an Individual, to fulfill the Department's obligations to amend PHI pursuant to the HIPAA Standards. Within three (3) business days, Business Associate shall forward to the Department for handling any request for amendment to PHI that Business Associate receives directly from an Individual.
- g. Internal Practices. Business Associate agrees to make internal practices, books and records, including policies, procedures and PHI, relating to the use and disclosure of PHI, available to the Department or to the Secretary within seven (7) days of receiving a request from the Department or receiving notice of a request from the Secretary, for purposes of the Secretary's determining the Department's compliance with the Privacy Rule.
- h. PHI Disclosures Recordkeeping. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for the Department to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with the HIPAA Standards and 45 CFR § 164.528. Business Associate shall provide such information to the Department or as directed by the Department to an Individual, to permit the Department to respond to an accounting request. Business Associate shall provide such information in the time and manner reasonably designated by the Department. Within three (3) business days, Business Associate shall forward to the Department for handling any accounting request that Business Associate directly receives from an individual.
- i. PHI Disclosures Accounting. Business Associate agrees to provide to the Department or an Individual, within seven (7) days of receipt of a request, information collected in accordance with Section 2 (h) of this Agreement, to permit the Department to respond to a request for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- j. Security Rule Provisions. As required by 42 U.S.C. § 17931 (a) [HITECH Act Section 13401(a)], the following sections as they are made applicable to business associates under the HIPAA Standards, shall also apply to the Business Associate: 1) Administrative Safeguards; 2) Physical Safeguards; 3) Technical Safeguards; 4) Policies and Procedures and Documentation Requirements; and 5) Security Standards. Additionally, the Business

Associate shall either implement or properly document the reasons for non-implementation of all safeguards in the above cited sections that are designated as “addressable” as such are made applicable to Business Associates pursuant to the HIPAA Standards.

- k. Civil and Criminal Penalties. Business Associate agrees that it will comply with the HIPAA Standards as applicable to Business Associates and acknowledges that it may be subject to civil and criminal penalties for its failure to do so.
- l. Performance of Covered Entity's Obligations. To the extent the Business Associate is to carry out the Department 's obligations under the HIPAA Standards, Business Associate shall comply with the requirements of the HIPAA Standards that apply to the Department in the performance of such obligations.
- m. Subcontractors. The Business Associate shall ensure that any subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate, agree in writing to the same restrictions and conditions that apply to the Business Associate with respect to PHI, with 45 C.F.R. § 164.502(e)(1)(ii), and shall make such information available to the Department upon request. Upon the Business Associate's contracting with an agent for the sharing of PHI, the Business Associate shall provide the Department written notice of any such executed agreement. Upon the Business Associate's contracting with a subcontractor for the sharing of PHI, the Business Associate shall provide the Department written notice of any such executed agreement.

3. Business Associate Obligations for Notification, Risk Assessment, and Mitigation

During the term of this BAA or PSC 23-630-4000-0002, the Business Associate shall be required to perform the following pursuant to the Breach Notification Rule regarding Breach Notification, Risk Assessment and Mitigation:

Notification

- a. Business Associate agrees to report to the Department Contract Manager or HIPAA Privacy and Security Officer any use or disclosure of PHI not provided for by this BAA or PSC 23-630-4000-0002, and HIPAA Standards, including breaches of unsecured PHI as required by 45 C.F.R. § 164.410, as soon as it (or any employee or agent) becomes aware of the Breach, and in no case later than three (3) business days after it (or any employee or agent) becomes aware of the Breach, except when a government official determines that a notification would impede a criminal investigation or cause damage to national security.
- b. Business Associate shall provide the Department with the names of the individuals whose unsecured PHI has been, or is reasonably believed to have been, the subject of the Breach and any other available information that is required to be given to the affected individuals, as set forth in 45 CFR §164.404(c), and, if requested by the Department, provide information necessary for the Department to investigate promptly the impermissible use or disclosure. Business Associate shall continue to provide to the Department information concerning the Breach as it becomes available to it and shall also provide such assistance and further information as is reasonably requested by the Department.

Risk Assessment

- c. When Business Associate determines whether an impermissible acquisition, use or disclosure of PHI by an employee or agent poses a low probability of the PHI being compromised, it shall document its assessment of risk in accordance with 45 C.F.R. §

164.402 (in definition of “Breach”, ¶ 2) based on at least the following factors: (i) the nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification; (ii) the unauthorized person who used the protected health information or to whom the disclosure was made; (iii) whether the protected health information was actually acquired or viewed; and (iv) the extent to which the risk to the protected health information has been mitigated. Such assessment shall include: 1) the name of the person(s) making the assessment, 2) a brief summary of the facts, and 3) a brief statement of the reasons documenting the determination of risk of the PHI being compromised. When requested by the Department, Business Associate shall make its risk assessments available to the Department.

- d. If the Department determines that an impermissible acquisition, access, use or disclosure of PHI, for which one of Business Associate’s employees or agents was responsible, constitutes a Breach, and if requested by the Department, Business Associate shall provide notice to the individuals whose PHI was the subject of the Breach. When requested to provide notice, Business Associate shall consult with the Department about the timeliness, content, and method of notice, and shall receive the Department’s approval concerning these elements. The cost of notice and related remedies shall be borne by Business Associate. The notice to affected individuals shall be provided as soon as reasonably possible and in no case later than 60 calendar days after Business Associate reported the Breach to the Department.

Mitigation

- e. In addition to the above duties in this section, Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI, by Business Associate in violation of the requirements of this Agreement, the Related Agreement or the HIPAA Standards. Business Associate shall draft and carry out a plan of corrective action to address any incident of impermissible use or disclosure of PHI. If requested by the Department, Business Associate shall make its mitigation and corrective action plans available to the Department.
- f. The notice to affected individuals shall be written in plain language and shall include, to the extent possible, 1) a brief description of the Breach, 2) a description of the types of Unsecured PHI that were involved in the Breach, 3) any steps individuals can take to protect themselves from potential harm resulting from the Breach, 4) a brief description of what the Business Associate and the Department are doing to investigate the Breach, to mitigate harm to individuals and to protect against further Breaches, and 5) contact procedures for individuals to ask questions or obtain additional information, as set forth in 45 CFR §164.404(c).

Notification to Clients

- g. Business Associates shall notify individuals of Breaches as specified in 45 CFR §164.404(d) (methods of individual notice). In addition, when a Breach involves more than 500 residents of a State or jurisdiction, Business Associate shall, if requested by the Department, notify prominent media outlets serving such location(s), following the requirements set forth in 45 CFR §164.406.

4. Obligations of the Department to Inform Business Associate of Privacy Practices and Restrictions

- a. The Department shall notify Business Associate of any limitation(s) in the Department's Notice of Privacy Practices, implemented in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- b. The Department shall 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 use or disclosure of PHI.
- c. The Department shall notify Business Associate of any restriction in the use or disclosure of PHI that the Department has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- d. The Department shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Department.

5. Term and Termination

- a. Term. This BAA terminates concurrently with PSC 23-630-4000-0002, except that obligations of Business Associate under this BAA related to final disposition of PHI in this Section 5 shall survive until resolved as set forth immediately below.
- b. Disposition of PHI upon Termination. Upon termination of this PSC 23-630-4000-0002 and BAA for any reason, Business Associate shall return or destroy all PHI in its possession and shall retain no copies of the PHI. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to the Department notification of the conditions that make return or destruction of PHI not feasible. Upon mutual agreement of the Parties that the return or destruction of the PHI is infeasible, Business Associate shall agree, and require that its agents, affiliates, subsidiaries and subcontractors agree, to the extension of all protections, limitations and restrictions required of Business Associate hereunder, for so long as the Business Associate maintains the PHI.
- c. If Business Associate breaches any material term of this BAA, the Department may either:
 - i. provide an opportunity for Business Associate to cure the Breach and the Department may terminate this PSC 23-630-4000-0002 and BAA without liability or penalty in accordance with Article 4, Termination, of PSC 23-630-4000-0002, if Business Associate does not cure the breach within the time specified by the Department; or,
 - ii. immediately terminate this PSC 23-630-4000-0002 without liability or penalty if the Department determines that cure is not reasonably possible; or,
 - iii. if neither termination nor cure are feasible, the Department shall report the breach to the Secretary.

The Department has the right to seek to cure any breach by Business Associate and this right, regardless of whether the Department cures such breach, does not lessen any right or remedy available to the Department at law, in equity, or under this BAA or PSC 23-630-4000-0002, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.

6. Penalties and Training.

Business Associate understands and acknowledges that violations of this BAA or PSC 23-630-4000-0002 may result in notification by the Department to law enforcement officials and regulatory, accreditation, and licensure organizations. If requested by the Department, Business Associate shall participate in training regarding use, confidentiality, and security of PHI.

7. Miscellaneous

- a. Interpretation. Any ambiguity in this BAA, or any inconsistency between the provisions of this BAA or PSC 23-630-4000-0002, shall be resolved to permit the Department to comply with the HIPAA Standards.
- b. Business Associate's Compliance with HIPAA. The Department makes no warranty or representation that compliance by Business Associate with this BAA or the HIPAA Standards will be adequate or satisfactory for Business Associate's own purposes or that any information in Business Associate's possession or control, or transmitted or received by Business Associate, is or will be secure from unauthorized use or disclosure. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.
- c. Change in Law. In the event there are subsequent changes or clarifications of statutes, regulations or rules relating to this BAA or PSC 23-630-4000-0002, the Department shall notify Business Associate of any actions it reasonably deems necessary to comply with such changes, and Business Associate shall promptly take such actions. In the event there is a change in federal or state laws, rules or regulations, or in the interpretation of any such laws, rules, regulations or general instructions, which may render any of the material terms of this BAA unlawful or unenforceable, or which materially affects any financial arrangement contained in this BAA, the parties shall attempt amendment of this BAA to accommodate such changes or interpretations. If the parties are unable to agree, or if amendment is not possible, the parties may terminate the BAA and PSC 23-630-4000-0002 pursuant to its termination provisions.
- d. No Third-Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Department, Business Associate and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

- e. Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself and any agents, affiliates, subsidiaries, subcontractors or workforce members assisting Business Associate in the fulfillment of its obligations under this BAA and PSC 23-630-4000-0002 available to the Department, at no cost to the Department, to testify as witnesses or otherwise in the event that litigation or an administrative proceeding is commenced against the Department or its employees based upon claimed violation of the HIPAA standards or other laws relating to security and privacy, where such claimed violation is alleged to arise from Business Associate's performance under this BAA or PSC 23-630-4000-0002, except where Business Associate or its agents, affiliates, subsidiaries, subcontractors or employees are named adverse parties.

- f. Additional Obligations. Department and Business Associate agree that to the extent not incorporated or referenced in any Business Associate Agreement between them, other requirements applicable to either or both that are required by the HIPAA Standards, those requirements are incorporated herein by reference.

Exhibit C – Performance Measures

The FS Contractor is responsible for meeting the requirements in this RFP, but Contractor will not be liable for any failure to meet performance measures or for associated liquidated damages resulting in whole or in part from events, causes, or responsibilities that are outside of FS Contractor’s control.

The following limitations apply to the Performance Measures in Exhibit C: (i) Contractor will have at least five (5) business days to remedy the deficiency before the assessment of any liquidated damages; the aggregate amount of liquidated damages assessed under Exhibit C Performance Measures will not exceed ten percent (10%) of the Contractor’s applicable monthly invoice; and (iii) Contractor will earn back fifty percent (50%) of any liquidated damage assessment if Contractor corrects the deficiency associated with such assessment and complies with such Performance Measures for two consecutive monthly periods following the month when the failure originally occurred.

Phase	#	Category	Performance Standard	Liquidated Damages
DDI/ OPS	1	Configuration Management	The FS Contractor will not perform any changes (including configurable items and business rules) which impact Procuring Agency without the prior written approval of Procuring Agency via the Change Control and Release Management processes. The Contractor must notify the EP MO when an SLA is not met or will not be met. Procuring Agency will use an emergency approval process to expedite urgent changes necessary to support maximum system availability.	Procuring Agency may assess \$5,000 per occurrence for FS Contractor’s failure to obtain Procuring Agency prior written approval for changes. This performance standard shall only apply after the MMISR Go- Live in accordance with the mutually agreed upon Project Schedule.
OPS	2	Disaster Recovery	For the FS Module, the FS Contractor shall perform and pass the annual recovery and restoration testing that is outlined and accepted by Procuring Agency in the “Disaster Recovery Plan” Deliverable and notify the Enterprise when the SLA is not met. FS Contractor will coordinate with the SI Contractor and its disaster recovery testing protocols related to integration. The testing schedule will be mutually agreed upon by Procuring Agency and FS Contractor and notify the Enterprise when the SLA is not met.	Procuring Agency may assess \$5,000 per business day for each day the passing completion of the test for the FS Module is beyond the scheduled test date.
DDI	3	Project Management	FS Contractor shall provide the Deliverables, per DED requirements that meet Procuring Agency approval, by the due dates as set forth in the approved Project Schedule or as otherwise mutually agreed upon and notify the Enterprise when the SLA is not or will not be met.	Procuring Agency may assess \$1,000 per business day thereafter until the date that each specific Deliverable is delivered to Procuring Agency.
OPS	4	Project Management	The FS Contractor shall deliver to the Procuring Agency project manager, or designee, timely and accurate reports specific to each defined performance measure described in this table of performance measures. The reports shall be specific to the	Procuring Agency may assess \$100 per performance measurement per day for reports that are not presented to Procuring Agency by the agreed upon date and time for submission.

Phase	#	Category	Performance Standard	Liquidated Damages
			reporting time period and quantifiably specific to the measure being reported. Reports shall be based on a measuring and monitoring methodology and tools approved by Procuring Agency. The FS Contractor and Procuring Agency will work together to develop a performance standards status report (“Dashboard” and/or “Scorecard”).	
DDI/ OPS	5	Staff Resource Management	The FS Contractor will replace Key Personnel according to the contract process. Replacement of Key Personnel will take place within thirty (30) calendar days of removal unless a longer period is approved by Procuring Agency	Procuring Agency may assess up to \$1,000 per Business Day for each Business Day beyond the thirty (30) calendar days allowed for replacement of Key Personnel.
DDI/ OPS	6	Staff Resource Management	Except as set forth in the Contract or due to a personnel resignation or termination, the FS Contractor shall not replace Key Personnel without prior written approval of Procuring Agency. The list of Key Personnel during Contract will be mutually agreed upon by the Procuring Agency and FS Contractor.	Procuring Agency may assess up to a maximum of \$10,000 per occurrence.
OPS	7	System Availability	FS Contractor shall provide all components of the FS Module available for production processing 99.95% of the time, three- hundred sixty-five (365) days per year and notify the Enterprise when the SLA is not met with the exception of scheduled maintenance windows based on mutual agreement	Procuring Agency may assess liquidated damages per month as specified below when the average daily performance fails to meet the performance standard. Availability drops below 99.95% to 99.9% (more than 864.3 ms and less than 8.66 seconds of downtime) on average, on a monthly basis: \$5,000 Availability drops below 99.9% to 99% (more than 14.4 minutes of downtime per 24-hour period): \$10,000 The assessment of Liquidated Damages for this performance standard shall only apply ninety (90) days after the MMISR Go Live in accordance with the mutually agreed upon Project Schedule.
OPS	8	Business	FS Contractor shall deliver the contracted fully functioning integrated FS Module services within thirty (30) days of the agreed Go-Live release date.	Procuring Agency may assess liquidated damages of \$25,000/day for each day greater than thirty (30) days after agreed Go-Live event until the SLA is achieved.
OPS	9	Business	FS Contractor shall fix any priority one (1) defects must be fixed within one (1) business day of reporting. FS Contractor shall fix any priority two (2) defects must be fixed within five (5) business days. FS Contractor shall fix any priority three (3) or four (4) defects must be fixed within 20 twenty (20) business days.	Procuring Agency may assess \$1,000 per day per incident for priority one (1) defects. Procuring Agency may assess \$500 per day per incident for priority two (2) defects. Procuring Agency may assess \$100 per day per incident for priority three (3) or four (4) defects.

Phase	#	Category	Performance Standard	Liquidated Damages
			Priority levels will be determined during contract negotiations.	
DDI	10	Business	The FS Contractor shall deliver its Services configured and ready for an acceptable UAT minor release (as agreed upon with the Procuring Agency) sufficient to ensure that all functions and components of the Contractor's Services are performing acceptably, as scheduled and notify the Enterprise when the SLA is not met. Major and Minor release are to be defined during contract negotiations.	Procuring Agency may assess \$1,000 per day per minor release delays.
DDI	11	Business	The FS Contractor shall deliver its Services configured and ready for an acceptable UAT major release (as agreed upon with the Procuring Agency), sufficient to ensure that all functions and components of the Contractor's Services are performing acceptably, as scheduled and notify the Enterprise when the SLA is not met. Major and Minor release are to be defined during contract negotiations.	Procuring Agency may assess \$10,000 per day per major release delays, not in compliance with performance measurement.
OPS	12	Business	FS Contractor shall produce notification data and forward to the IP within twenty-four (24) hours of identifying the need to generate FS correspondence.	Procuring Agency may assess \$100 per incident per notification not delivered in compliance with performance measurement.
OPS	13	Business	FS Contractor shall integrate production releases as scheduled and notify the EP MO when the SLA is or will not be met.	Procuring Agency may assess \$1,000 per day per minor release incident, for delays, and \$10,000 per day per major release incident for delays, not in compliance with performance measurement.
OPS	14	Business	FS Contractor shall provide an audit trail for all transactions (e.g., system, data) occurring in FS and notify the EP MO when the SLA is or will not be met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	15	Business	FS Contractor shall assign funding source and account codes, for each line of all claims (e.g., Physician, Dental, PBM, Anesthesia, Personal Care Services) based upon Procuring Agency business rules and prior to final claim status (e.g., pay, partial pay, deny) and notify the EP MO when the SLA is or will not be met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	16	Business	FS Contractor shall create and trigger generation of all assigned reports (e.g., 1099's, W2s), in a compliant format, on or prior to required distribution dates and notify the EP MO when the SLA is or will not be met.	Procuring Agency may assess \$5,000 per incident per day, plus all penalties applied, to the Procuring Agency, by other government agencies, not in compliance with performance measurement.
OPS	17	Business	FS Contractor shall process 98% of "clean claims" to final status (pay, partial pay, deny) within twenty (20) calendar days of receipt and notify the EP MO when the SLA is or will not be met.	Procuring Agency may assess one dollar (\$1.00) per claim per day not in compliance with performance measurement.

Phase	#	Category	Performance Standard	Liquidated Damages
OPS	18	Business	FS Contractor shall enter financial transactions, including but not limited to payouts and recoupments, within one (1) business day of receipt and notify the EPMO when the SLA is not met.	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.
OPS	19	Business	FS Contractor shall provide to the IP the payment transaction file 24 hours prior to SHARE payment cycle run and notify the EPMO when the SLA is not met.	Procuring Agency may assess \$5,000 per incident per day not in compliance with performance measurement.
OPS	20	Business	FS Contractor shall execute retroactive claim adjustment processing within one (1) business day of business rule defined automatic identification of claim requiring adjustment or receipt of the request from the Enterprise and notify the EPMO when the SLA is not met.	Procuring Agency may assess one dollar (\$1.00) per claim per day not in compliance with performance measurement.
OPS	21	Business	FS Contractor shall perform EDI validation edit, within one (1) tenth of a second per transaction within the file, of receipt of file transaction and return the results to the IP within one (1) tenth of a second and notify the EPMO when the SLA is not met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	22	Business	FS Contractor shall perform mass adjustments within five (5) business days of receipt of the request from the Enterprise and notify the EPMO when the SLA is or will not be met.	Procuring Agency may assess one dollar (\$1.00) per claim per day not in compliance with performance measurement.
OPS	23	Business	FS Contractor shall perform cash account reconciliation within one (1) day of receipt of a returned SHARE payment file and notify the EPMO when the SLA is not met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	24	Business	FS Contractor shall perform a quarterly trial balance within forty-eight (48) hours of the state quarter end and notify the EPMO when the SLA is or will not be met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	25	Business	FS Contractor shall perform an annual trial balance within two (2) business day of the state yearend and notify the EPMO when the SLA is not met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	26	Business	FS Contractor shall perform a monthly trial balance within forty-eight (48) hours of the state month end and notify the EPMO when the SLA is or will not be met.	Procuring Agency may assess \$1,000 per incident per day not in compliance with performance measurement.
OPS	24	Business	FS Contractor shall process and pay all correctly and timely submitted Mi Via timesheets and invoices in the next scheduled related payment cycle.	Procuring Agency may assess ten dollars (\$10.00) per timesheet or invoice per day that payment is delayed.
OPS	25	Business	FS Contractor shall adjudicate ninety (90) percent of resolved problem claims within ten (10) business days of claim suspension date	Procuring Agency may assess ten dollars (\$10.00) per claim per day that adjudication is delayed.
OPS	26	Business	FS Contractor shall resolve suspended claims within ten (10) business days of	Procuring Agency may assess ten dollars (\$10.00) per claim per day that resolution

Phase	#	Category	Performance Standard	Liquidated Damages
			claim suspension date	is delayed.
OPS	27	System Maintenance	Contractor shall analyze and propose a resolution to Procuring Agency for all module Severity One (1) incidents within four (4) hours from the time the Contractor is aware of the incident. For the purposes of the SLA herein, Severity One (1) incidents shall be defined as mutually agreed upon prior to Go-Live.	Procuring Agency may assess \$5,000 per day, when the resolution is not proposed to Procuring Agency per the performance standard. The assessment of Liquidated Damages for this performance standard shall only apply ninety (90) days after the MMISR Go Live in accordance with the mutually agreed upon Project Schedule.
OPS	28	System Maintenance	Contractor shall analyze and propose a resolution to Procuring Agency for all module Severity Two (2) incidents within four (4) days from the time the Contractor is aware of the incident. For the purposes of the SLA herein, Severity Two (2) incidents shall be defined as mutually agreed upon prior to Go-Live.	Procuring Agency may assess \$5,000 per day, when the resolution is not proposed to Procuring Agency per the performance standard. The assessment of Liquidated Damages for this performance standard shall only apply ninety (90) days after the MMISR Go Live in accordance with the mutually agreed upon Project Schedule.
OPS	29	PBM	Contractor shall adjudicate ninety-nine percent (99%) of pharmacy claims submitted via POS technology in real-time and notify the Enterprise when the SLA is not met.	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.
OPS	30	PBM	Contractor shall update codes J, Q, and I, within thirty (30) calendar days of when CMS posts the quarterly pricing updates to the CMS website and notify the Enterprise when the SLA is not met.	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.
OPS	31	PBM	Contractor shall provide the Procuring Agency with an analysis, within three (3) business days of receipt by the Contractor, of CMS pharmacy-related information, that specifies if action by the Procuring Agency or PBM or other vendors is required and, if so, what that action is, by what entity it must be undertaken, and by when it must be completed and notify the Enterprise when the SLA is not met.	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.
OPS	32	PBM	Contractor shall produce drug rebate invoices within ten (10) business days of every quarter end and notify the Enterprise when the SLA is not met.	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.
OPS	33	PBM	Contractor shall provide the Procuring Agency with a monthly monitoring report regarding PBM phone statistics within fifteen (15) calendar days following the end of the month to include the following: a) Monthly number of calls b) Number of calls placed on hold c) Average number of minutes on hold d) Average number of minutes required to complete the authorization request	Procuring Agency may assess \$1,000 per incident not in compliance with performance measurement.

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Phase	#	Category	Performance Standard	Liquidated Damages
			e) Monthly busy signal rate.	